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LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

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A WEEKLY FEATURE
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The Nation's Business

Red Strikers Menace Honest Workers
Labor and Employers Must Stand Together
Change of Pace At Washington
No More Inflation; No More Probes

Industry Must Stand by Labor

IN RESISTING the activities of the Communist labor organizations in Canada, employers and organized labor stand shoulder to shoulder. The Stratford strike was the first large scale manifestation of the menace that such organizations as the Workers Unity League present to all elements in Canadian industry. In other parts of the country, the agents of the League, who profess a fraternal interest in the objectives of the Red Internationale of Moscow, are active. As an article published elsewhere in this issue clearly testifies most of the "strikes" in Canada are being called by this organization which has no standing with the majority of organized labor in Canada and is, in fact, working at cross purposes with the established unions as much as with employers.

• • •

IN MANY cases in Canada plants are being picketted by strikers asking for higher wages and shorter hours when in reality every employee of the plant is a member of one of the recognized unions and union conditions prevail throughout the organization. Such strikes are fakes, conducted purely for publicity purposes or to foment general discontent. But unless the man on the street realizes the character of these "strikes" he is very apt to feel that a group of workers is taking its only possible recourse against an exploiting employer.

• • •

LABOR leaders, representing such organizations as the Trades and Labor Congress of Canada are in an embarrassing position in regard to such strikes. Their own position is undermined by Communist activities as much as is the position of employers. Yet they must feel hesitant about condemning the activities of what is after all a competitive labor organization.

The employer who permits himself to be bull-dozed by one of these red unions is simply adding to the strength of a wholly subversive movement that is a danger to owners and workers alike.

• • •

UNTIL about a year ago, the Workers Unity League was openly affiliated with the Communist party in Russia. But, when public opinion in Canada showed a decided prejudice against Red activities, the League made haste to alter its constitution and now professes to have no direct contact with Moscow. Yet its constitution provides that it "shall strive to strengthen and improve its existing fraternal relations with the Red Internationale of Labor Unions."

So much for the divorce from Moscow.

* * *

U. S. Revolution Slows Its Pace

IT WOULD be overstraining the truth to say that Washington is swinging to the Right. But the tempo of a managed revolution can always be deliberately slowed down. And that is precisely what is happening. To permit American business to digest some of the experimental reforms that have already been laid down for it, to consolidate the advance to a new social order before striving for further gains, is the apparent purpose today. With the arrival of the cherry blossoms, business individualists are permitted to come out of the cellar into the sunshine.

The Brain Trust crowd have recently been busier defending themselves than in sniping at the "standpatters." It is no longer treason to criticize the Revolution. Roosevelt, alert to public opinion, has called for a truce to theory. He senses a widespread reaction to the purely academic. The word has apparently been passed down, through the almost endless chain of economic and social advisers of the different departments, to soft-pedal destructive criticism and classical experiment. Now the policy seems to be to give business a chance to adjust itself to the new position that far-reaching social legislation has placed it in; to give private initiative a chance to speed the pace of recovery that is believed to be well under way.

* * *

ONE obvious result, it is said, is that there will be no more inflation moves in the near future, no further writing up of the value of gold, no definite monetization of silver, no further large-scale open

(Continued on page 2, col. 3)

DEBT STATUTE NOW AWAITS COURT RULING

New Farm Legislation is Held Up for Supreme Court Decision

CHANGE IN DETAILS

Now Thought Debt Adjustment Problems Will be Handled by Local Men Not Commissioners

From Our Own Correspondent

OTTAWA.—Introduction of the federal intermediate credit legislation will follow almost immediately the decision of the Supreme Court upon the validity of the 1933 statute to validate compromises and arrangements between insolvent companies and their creditors.

The main features of the measure as reported in The Financial Post of April 14 remain unchanged, but detail has now been added. For the reason that the Supreme Court is believed certain to confirm the constitutionality of the 1933 law, certainly as far as the principle of the legislation is concerned. Modifications in the details of the statute only, are expected.

Basis of Statute

The basis of the Federal law will be that the Dominion has exclusive legislative jurisdiction to deal with bankruptcy and insolvency. In order to extend Federal aid to farmers, in need of intermediate credit, it will be necessary for these farmers to become legally insolvent. And as insolvency is now prevented in most provinces by provincial moratoria, these provincial statutes will have to be withdrawn. The understanding between Ottawa and the provinces is that they will be withdrawn, voluntarily, when the new Federal Act comes into force.

Three Avenues of Relief

The legislation will offer three avenues of relief to farmers, and will not aim to increase, to any appreciable extent, the total existing debt. The Government experts after a painstaking survey of agricultural conditions, have decided that farmers do not need more credit nearly as much as they need relief from existing debt, either by a scaling down of their obligations or consolidation of their short term borrowings.

The proposal is:

1. To open the Bankruptcy Act to farmers.
2. To extend to them the machinery of the Compromises and Arrangements Act of 1933.
3. To empower the Farm Loan Board to loan on second mortgages up to 65 or 70 (precise figure still to be decided) per cent of the value of their land, buildings, equipment, stock, etc.

May Not Appoint Commissioners

Until recently the Government inclined to the view that Federal debt adjustment commissioners would be necessary. Right now it is believed that local officials, sheriffs, county court officials and the like, will be able to handle the work.

When the law is in operation, it will function as follows:

How Law Will Function

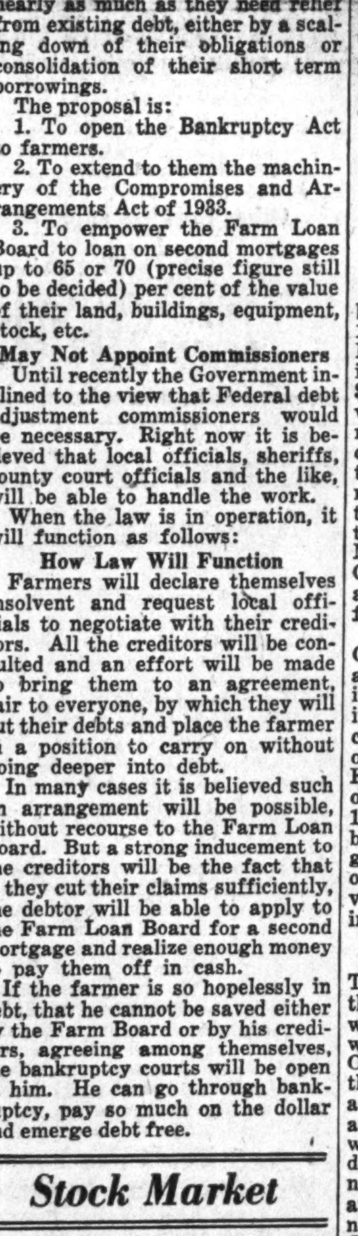
Farmers will declare themselves insolvent and request local officials to negotiate with their creditors. All the creditors will be consulted and an effort will be made to bring them to an agreement, fair to everyone, by which they will cut their debts and place the farmer in a position to carry on without going deeper into debt.

In many cases it is believed such an arrangement will be possible, without recourse to the Farm Loan Board. But a strong inducement to the creditors will be the fact that if they cut their claims sufficiently, the debtor will be able to apply to the Farm Loan Board for a second mortgage and realize enough money to pay them off in cash.

If the farmer is so hopelessly in debt, that he cannot be saved either by the Farm Board or by his creditors, agreeing among themselves, the bankruptcy courts will be open to him. He can go through bankruptcy, pay so much on the dollar and emerge debt free.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of May 1	56.2	54.1
Week of Apr. 24	56.6	54.6
Month of May, 1933	44.0	31.5
10 Public Utilities		
Week of May 1	54	53
Week of Apr. 24	54	52
Month of May, 1933	50	43
8 Bank Stocks		
Week of May 1	185	183
Week of Apr. 24	185	183
Month of May, 1933	168	147

Rank and File Own 10 Chartered Banks; Women Prominent

Analysis of Shareholder Lists Exposes Myth That Millionaires Dominate Financial Institutions — Many Startling Conclusions

CANADIANS OWN 80% OF STOCK

While Bulk of Shareholdings Are Passing Largely Into the Hands of Women — Total Number of Female Shareholders Now Exceeds Male Owners

Who own the chartered banks of Canada?

To answer simply—Canadians own their own banks. But if a detailed answer is required it may be found in the nursery rhyme—the butcher, the baker, the candlestick maker. For the banking institutions of Canada, notwithstanding popular report to the contrary, are not the private possessions of a few financiers, millionaires. They are not the personal property of our captains of industry.

To an extent not generally believed the banks of Canada are owned by the common people. Into bank stocks have gone and are going the savings of the rank and file of Canadian citizenry.

Detailed Study Made of Shareholder Lists

This is no mere guess. The official shareholders' lists of the twelve chartered banks of Canada have been studied for purposes of this survey. Analysis of these lists reveals:—

1. That Canada's banking institutions are the property of the Canadian people to an extent in excess of 80 per cent of all outstanding stock. Quebec and Ontario, together, with 61 per cent of the population, own 64 per cent of this stock.
2. That ownership of our banks is passing rapidly out of the hands of men and into the hands of women and that unless this trend changes, the next change will give to women an outright majority of the stock.
3. That shares of the banks, far from being the possession of a few millionaires, are among the most popular investments in the country and are held widely by classes of people who are popularly supposed to do most of their investing in penny mining stocks.

Geographical Study Difficult

While the lists show the residence of every shareholder, they do not facilitate a study of ownership either by nationality or geographic location. Four out of the twelve banks subdivide their list by registry divisions, enabling Canadians to be identified from foreign investors fairly accurately. The other seven (the eighth is Barclays Bank, Canada, with only a handful of shareholders) bulk all their stockholders in one list and failing a careful audit it is not feasible to do more than estimate the number of shares within and without the country.

More Women Than Men

As to the rapid increase in the holdings of women, the recent lists leave no doubt. Right now there are more women shareholders than men, numerically, but men own larger blocks and therefore a majority of the stock. A test of 38,574 shares made at random through all the bank lists discloses that

(Continued on page 2, col. 3)

BREWING CORP. BUYS O'KEEFE'S FOR $2,074,000

Now Holds 55 Per Cent of Ontario's Entire Brewing Capacity

Brewing Corp. of Canada celebrated May-Day by completing the 100 per cent purchase of O'Keefe's Beverages, Ltd., Toronto, and all its assets for $2,074,000 of which $1,700,000 was paid cash down, with the balance payable over six month. The money for the purchase was obtained from English interests who purchased 200,000 common share of Brewing Corp., and those extra shares were listed on the Toronto Stock Exchange on May 2. Statements that Brewing Corp. preferred shares were used as part of purchase price are unfounded.

The fact that Brewing Corp. of Canada desired to buy O'Keefe's as a necessary part of its plan to eliminate excessive competition in an industry capable of supplying recent Ontario needs with 20 per cent of capacity was pointed out by The Financial Post in articles published on December 9 and December 16, 1933. E. P. Taylor, president, has been unremitting in his efforts to get the whole industry on a proper operating basis and he has been very open in stating his plans for improving matters.

Few Companies Will Control

In those articles last December The Financial Post indicated that the final result of these mergers would be that a few large companies would serve Ontario. Brewing Corp., it was pointed out, would be the large, leading company much as National Breweries is in Quebec and it was anticipated that Labatt's would stand out as the principal independent. Walkerville Breweries now listed has one plant at Sarnia, and with strong working capital is not likely to join any amalgamation. Canada Bud Breweries, the one remaining large company, has its stock widely held. Recently Brewing Corp. obtained one-third of Cosgrave stock on the market and then obtained control by a share exchange offer to other shareholders.

It is altogether likely that any further expansion would be financed in a similar way.

Is Major Brewing Co.

Brewing Corp. of Canada has now 1,100,000 barrels of brewing capacity out of 2,000,000 barrels available in the province. It controls 55 per cent, in other words, of available capacity. In securing O'Keefes it has obtained a brewery which before prohibition in wartime had the largest output of any Ontario brewery. It is still one of the largest breweries and as it has been established since 1846 its ginger ale and its brews are solidly established in public favor. It has been in the past a very large earner and even under recent conditions has been making some money.

O'Keefe's had outstanding $2,166,000 in $100 par value shares, half common and half preferred. There has been no public interest in the stock as it has been held closely in few hands.

5-YEAR PLAN WILL REVAMP MAPLE LEAF

Bondholders' Consent Will Be Sought This Month

Plans for reorganization of Maple Leaf Milling Co. are expected to be ready for submission to bondholders and other creditors sometime this month. The scheme is complete except for the usual last minute legal snags, The Financial Post is informed. It is a "five-year plan."

Banks and large bondholders have been carrying on discussions with regard to proposals that might be submitted to bondholders for their approval and the Royal Trust Co., trustee for the bondholders, has been keeping an eye on these preliminaries. As indicated two weeks ago in The Financial Post, bondholders and banks will get the major share in the reorganization, if present plans are approved.

Details of Plan

The plan that will be proposed, it is understood, will envisage:

Reduction of interest rate on bonds from 5½ per cent to about 3½ per cent for five years..

Reduction of interest rate on $4,900,000 of current bank loans, secured by inventories and receivables, to about four per cent.

By this means reducing fixed charges about $200,000 per annum.

Remaining $2,000,000 of bank loans, secured by shares of subsidiary companies, to be non-current for five years.

Principal amount of bank loans ($6,900,000) and bonds ($4,620,500) to be unchanged.

Banks and bondholders to have majority representation on the board of directors for five years.

After the five year period, any margin of current assets over 110 per cent of current liabilities to be applied to a sinking fund to reduce the $2,000,000 bank loan and bonds. Other than this, sinking funds to be postponed.

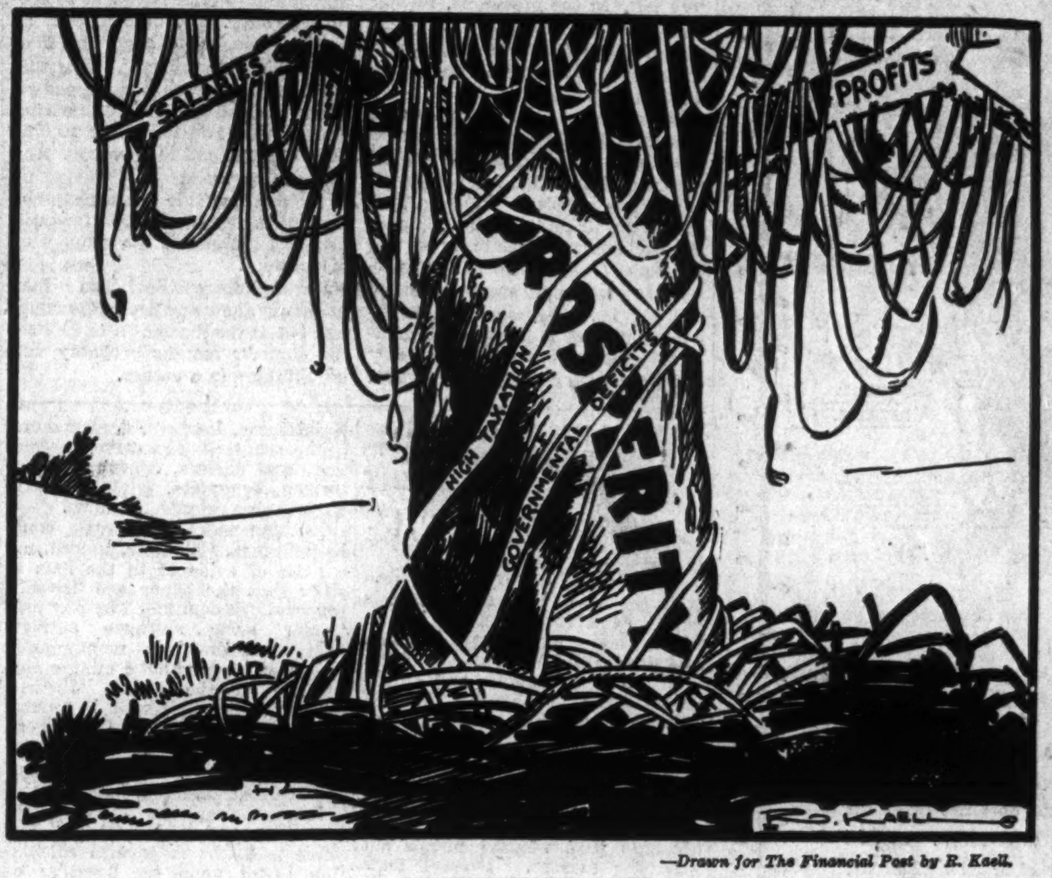
Creation of class "A" and "B" no par value shares, carrying identical provisions, except that class "A" will be preferred as to dividends when earned. No dividends are to be paid, however, while the five-year plan is in operation.

Class "A" shares to be given to creditors, chiefly banks and bondholders.

Class "B" shares to be given to holders of the present $2,930,000 of "A" preferred, the 25,000 shares of $6 "B" preferred and the 100,000 common shares.

In brief, the plan, if adopted, will practically eliminate the present shareholders for some years, leaving control and the lion's share of future prospects in the hands of the company's creditors.

Substantial consent of bank creditors has been obtained, it is understood. Since large bondholders have participated in the drafting of the scheme, it is believed that they also approve. The consent of shareholders is of minor importance since the company is virtually in the hands of creditors.



—Drawn for The Financial Post by R. Kaell.

THE STRANGLER VINE

"Tell The Truth" Bill New Companies Law Now Before Commons

Prospectus Enactments Require Full Disclosure of Interests of Directors and Promoters in New Business or Property Bought

BORROWS LARGELY FROM ENGLISH LAW

Dominion Companies Act (Bill No. 64), which might aptly be called the "Tell the Truth" securities bill because its main objective in prospectus and auditing and financial statement clauses seems to be to secure entire disclosure of all points that shareholders should know, received its first reading on April 26. It will receive close study from the financial community throughout Canada because this is the model bill on which it was desired to secure unanimity between Dominion and provinces so that all could pass it concurrently. Ontario and Quebec are understood to have registered some objections not yet made vocal, but the Dominion has decided to take the plunge without them.

The Secretary of State sponsors the bill whose purpose is stated to be to "improve the provisions of the Companies Act, to afford greater security for investors, shareholders and creditors, to provide for the arrangement of sections in more logical order and to eliminate ambiguities and correct errors." It will have special interest on this continent because it has not followed United States models but English. The principal changes are taken from the English Companies Act and adapted to Canadian conditions. The spirit of the old legislation remains in many clauses which have been re-written in terms similar to those used by the English Act, but the whole tendency has been to add claws to the legislation.

Security Issues Fully Covered

Probably the ten clauses relating to prospectuses and offers of securities to the public are most important at this juncture.

The definition of "prospectuses" is extended in this bill to include not only what are ordinarily called prospectuses but notices, circulars, advertisements, letters or other graphic communications offering to the public any shares, debentures or obligations of a company. A communication sent to a person in respect to a security is not deemed a prospectus if it follows a prospectus already delivered, or if it contains a bona fide statement that a prospectus will be promptly furnished on request and contains no statement either of fact or opinion relating to assets, earnings, or business carried on.

The term, "offer to the public" includes every attempt to offer, to dispose of or to solicit subscriptions, except preliminary negotiations or agreements between the company and an underwriter or any offer to directors only.

Must Sell on Prospectus

As in the old Act, the new bill provides that every prospectus shall be dated and filed with the Secretary of State within a week from its date and a fine of $20 may be exacted for extra day's delay in filing.

A company must not accept any application in respect of any of its securities offered by it or offered on its behalf to the public for subscription unless the prospectus has been filed with the Secretary of State and a copy has been delivered to the applicant at least 24 hours prior to the acceptance of his application. Where applications for securities are made to the company, through an underwriter, the company—prior to the acceptance of such application—should have from the underwriter a statutory declaration to the effect that copies of the prospectus have been mailed or delivered to all persons making the applications. Any application received by the company shall then conclusively be deemed to have been made on the faith of such prospectus.

If these sections are not complied with, then the applicant or anyone to whom he has sold such securities, is entitled to have the application for such securities rescinded if written notice of the exercise of such rights of rescission shall have been served on the company within a month of the date of receipt of notice of allotment or of issue of securities or within 30 days from the date of delivery or mailing to such applicant of a copy of the prospectus filed with the Secretary of State in respect of the securities, whichever shall be the longer period.

Contravention of the provisions of this sub-section by the company, or by any director, officer or person knowingly, they would be liable on summary conviction to a fine not exceeding $1,000. Any form of application sent to a potential buyer of a security must also be accompanied by a copy of the prospectus filed with the Secretary of State. A fine of $1,000 is provided also for infraction of this section.

Rights and Reorganizations

These sections do not apply in respect to offers by a company of its securities to existing holders of its securities exclusively or to exchange of securities where no

(Continued on page 10, col. 3)

King Edward to Reorganize Investors Save Heavy Loss

A reorganization scheme for King Edward Hotel Co. is in the final stages, The Financial Post is informed, and will be announced in about a week.

Metropolitan Life Insurance Co., New York, holder of the $2,150,000 first mortgage, has agreed to call off foreclosure proceedings, it is understood, and will settle with security holders by negotiation, thus allowing reorganization.

"There certainly will be something for security holders," it was stated to The Post. The reorganization will mean the saving of a great loss to investors in the hotel, it is said. Representatives of investors are understood to be highly pleased with the negotiations with the Metropolitan Life, indicating that important concessions will be made by the mortgagees, and that the scheme when presented for approval will be more than satisfactory to owners of King Edward bonds. The arrangements are described as "surprising" and "likely to create quite a stir."

The hotel company defaulted interest on the first mortgage and on its refunding bonds on March 1, 1932. The company was placed under receivership of the National Trust Co. on Dec. 7, 1932. In the period intervening between that time and the present, foreclosure proceedings were threatened by the Metropolitan Life, but were forestalled. Negotiations between the security holders and the first mortgagees have finally come to the point where the Metropolitan Life has found it more convenient to compromise than to enforce its lien, it is understood.

Highlights of the week

Red Strikes

Why organized labor opposes the menace of the Workers' Unity League, Canada's Communist body, and how professional W. U. L. picketers bludgeon employers by fake strikes without real labor support. Page 3

Ruling Business

Why regimentation of business by the government is antagonistic to democracy. Policeman rôle better suited to the government than the part of dictator. Another of the authoritative Codes for Canada articles. Page 11

Bank Ownership

Fable of Canadian banking octopus debunked in The Financial Post's exclusive analysis of shareholders' lists. Who really owns the banks. Page 1

Investment Trusts

Canada's investment trusts were not really along British lines. What the brief Canadian experience has been. First of a series of articles for investors on investment trusts. Page 9

Insurance Trends

Best record for sprinkler damage risks in 40 years. Stock market collapse brings greatest demand for annuities ever recorded in Canada. Page 13

Gold Hunt by Air

How the airplane has brought Canada's search for gold 20 years nearer to results. Page 20

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PUBLIC SALE ABITIBI POWER MAY YET COME

Volume and Profits Gain and Wealthy Canadians Studying Situation

NO REORGANIZATION

Blocked Because Trust Deed Lacks Majority Clause — Court Decision Awaited Improved Position

Abitibi Power & Paper Co. annual report, which will be released shortly along with an expected communication from the protective committee for the bondholders, will show considerable advance to have been made in dealing with the company's problems by the receiver, G. T. Clarkson.

It is too much to hope that bond interest was earned in 1933 or indeed that earnings were on a sufficient scale to give hope that bonds could possibly under such conditions of volume and price resume their old standing and rate of interest, but with six mills closed down and the three most efficient mills operating it is said that enough new business has been secured to make a considerable advance in the direction of reducing bankers' advances of $4,261,038. Some say that the $1,500,000 secured by 100,000 common shares of Provincial Paper has been repaid and that those shares are now in the treasury of Abitibi Power & Paper Co.

Keep Thunder Bay Going

Whether or not that is so, it is expected that the report will contain some surprises. The Murray Bay Paper Co. liabilities are expected to be cleared away as a result of property and plant sales made and a large part of the wood supplies at Espanola and Spanish River, which it was feared might rot if left too long, are understood to have been liquidated. The company has been released from the most onerous part of its obligations to take power from Ontario Power Service Corp. since the latter was taken over by the Ontario Government. Some disposition sooner or later will be made of the Spanish River and Espanola mills.

The Thunder Bay mill, though operating at a loss recently, will be kept going and all obligations met with reference to it, it is understood, because it would be much against the company's interest to have the property revert and let others operate the property in a keenly competitive manner in order to get their value out of it.

It is stated that if the volume of newsprint continues to increase in the way it is doing, it will have a considerable effect on prices. Under the present conditions few companies could afford expensive woods operations last winter and so a greatly expanded demand might soon produce a shortage of wood and so a rise in newsprint prices. In such case a profit in every plant kept open would be expected of Abitibi.

Obstacle Noted

If Abitibi Power first mortgage 5 per cent bonds, Series A, due 1935, and outstanding to the extent of $48,267,000, had a majority clause in the underlying trust deed, a reorganization plan might have been submitted to bondholders before. It is essential, of course, to a reorganization plan that operations should be conducted under the receiver until they are "in the black" but Abitibi Power, if freed from old contracts and entanglements connected with the plants now closed for power, might easily come to some feasible plan if all the bonds were deposited with the bondholders' committee or if a majority of the bonds could decide on a policy.

At the time when Abitibi bonds were issued in June, 1928, most issues of bonds in the United States omitted the majority clause as a protection to the rights of minorities. Apparently this is the most vexatious feature not only of the Abitibi but of other reorganizations. Reorganization may be impossible except through sale, and it is therefore possible that Abitibi assets may eventually be offered in that way. Already it is understood that powerful Canadian in-

(Continued on page 2, col. 5)

Seasonal Gain In Construction Above Normal

Opening of spring brought increased activity for the construction industry, contracts awarded during April amounting to $11,469,200, one-third greater than during the corresponding month of 1933 and nearly 53 per cent ahead of the March figure, this latter advance being well above the normal seasonal gain.

			Change From Prev. Period %	From Prev. Year %
Monthly		Apr. '34		
Constr. cont.	$	11,469,200	+ 52.6	+ 33.3
		March		
Employment, No.		913	— 1.5	+ 20.1
Coal output, tons		1,027,787	+ 1.1	+ 24.6
Coke prod., tons		191,348	+ 2.5	+ 38.1
Auto. prod., No.		14,180	+ 65.4	+114.0
Auto. sales†, No.		7,540	+107.0	+101.2
Auto financing‡	$	2,129,537	+ 92.0	+ 20.0
Rubber imports	lbs.	7,640,172	+ 84.1	+235.6
Weekly¶				
Carloadings, No.		44,505	+ 7.0	+ 30.1
Cattle sales, No.		11,570	— 10.0	+ 16.3
Hog sales, No.		22,999	+ 20.4	— 16.0

*April 1. †Passenger cars only. ‡New and used cars. ¶Weeks ended April 21, 28 and 28 respectively.

MEN'S SHOP

Reporting the
MEN'S SHOP

The Men's Shop
Is Different

You sense the difference as soon as you cross the threshold. Here is a shop that is out of the ordinary—that concerns itself particularly with men's apparelling and does not make the outfitting of man a sad, drab affair. Instead of having rows and racks of apparel all of the same, sombre tone, the Men's Shop offers choice and individuality.

The Men's Shop rejects the commonplace. The Men's Shop will never deaden and suppress individuality. Instead, it will offer men the best, the smartest and the most authentic styles that are obtainable in all lines of apparel.

This is true of coats. It is true of suits. It is equally true of ties, shoes, shirts and other accessories. If you have individuality, if you hope to keep out of the uniform drabness of apparel, then make the Men's Shop your shopping quarters.

The Reporter

EATON'S-COLLEGE STREET

THERE ARE
Join the Ely circle
ADVANTAGES

HUMAN NATURE

No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.

MONTREAL TRUST
COMPANY
61 Yonge St., Toronto
J. F. HOSKIRK, Manager

Canada Biscuit Earnings In 1933 Went Up $100,000

Earnings of Canada Biscuit Co. during 1933 show an improvement of $100,000 over earnings in 1932 and directors report an operating profit, before provision for bond interest and depreciation. Improvement in business was experienced in the latter part of 1933 and has continued during 1934 to date. Working capital was down when the present management took over in 1932 and it is found necessary to further defer payment of interest on the 6½ per cent. first mortgage bonds in order to preserve working capital position. A meeting of bondholders will be called shortly.

AN EXAMPLE TO KEEP

The pioneer knew thrift as a stern necessity and by its homely virtue gave beginning to a nation. His example is one to be followed today. Regular deposits in a Savings Account are the sure road to financial independence and security.

THE
ROYAL BANK
OF CANADA

The Nation's Business

(Continued from page 1)

market operations by the Federal Reserve. Member banks are already bursting with excess reserves. Within the limits of the inflation the United States already has, there is room for a vast expansion of credit. Of course, if inflation refuses to "take"; if the present degree of inflation proves insufficient; then something further will be essayed; but this could not properly come before fall. In the meantime, further inflation is off the programme; exchange stabilization agreement with Britain and France may be put on the tentative agenda.

Investigations and exposures of the sinful operations of big business are also to be quietly wound up, it is reported. The public has had its fill of sensational revelations about Wall Street, the air services, the commodity speculators and the other big bad wolves of Coolidge-Hoover prosperity. For a while, the enquiries served usefully the purposes of the President, but now, it is declared, additional sensations are to be had only at the expense of such unsettlement of public confidence as will menace recovery. Much as Washington hates Wall Street, it still needs Wall Street in the front line trenches instead of on the stone pile.

* * *

ONE result of this momentary, planned trend to conservatism is that rugged individualists among the industrialists of the country are again feeling free to criticize Washington and to offer advice as to economic policy. For over a year, no one has been able to get the floor except the theoreticians. Now that the theoreticians are being tipped off to say less and think more, the leaders of private business are finding their courage and their voices. And the man on the street is waking up to the fact that it is to business men that the country must look for business leadership and the stimulation of recovery.

Revolutionary Socialism may break out anew any day in Washington, but at the moment it is, and for the summer months probably will be, skulking in a corner.

RANK AND FILE OWN 10 CHARTERED BANKS; WOMEN PROMINENT

(Continued from page 1)

women hold 13,817 shares or slightly more than one third.

To a limited extent the lists support the view that many women select bank stocks as an investment; begin with small holdings and gradually build up. But in the main, women inherit bank stocks from their husbands, fathers, brothers, etc., and thousands of shares have passed to them under trust deeds.

Popular With Masses

Bank stocks are revealed as one of the most popular investments not only with wealthy people but with the masses. Several tests show that the average holdings do not exceed 25 shares and hundreds of stockholders own from 1 to 5 shares. In fact a study of the lists prove conclusively that our banking institutions possess in an unrivalled degree the confidence of all classes of the community.

Here is a list of occupations of stockholders taken direct from the returns: tailors, stonemasons, newspapermen, editors, telegraph operators, nurses, cheese dealers, carpenters, furriers, hardware merchants, milkmen, retired people, widows, architects, spinsters, married women, grocers, jewellers, photographers, merchants, bricklayers, automobile salesmen, farmers, ministers, parish priests, archbishops, shoe-dealers, sailors, joiners, garage keepers, bakers, capitalists, financiers, gentlemen, contractors, bankers, managers, physicians, printers, brakesmen, carters, inn-keepers, musicians, civil servants, laborers, teachers, barbers, realestate agents, sales managers, station agents, wood dealers, mechanics, electricians, painters, blacksmiths, authors, senators, artists, judges, butchers, members of parliament and the legislatures, lawyers, dressmakers, prime ministers and cabinet ministers, coal dealers, conductors, motormen, druggists, pilots, brokers, clerks, accountants, bishops.

Nothing more democratic could be imagined. There is, indeed, not a tittle of evidence in the lists to show that the banks are "closed" corporations dominated by any particular group. Those actively charged with their management and direction hold but a minute percentage of the stock. Jackson Dodds, for example, who is general manager of the Bank of Montreal, holds 5 shares. E. W. Beatty, president, holds 132 shares.

Quebec Holdings Largest

In all, the capital of the Canadian banks totals 1,475,000 shares. Par value is $100. A careful calculation based upon the location of shareholders (segregated in some cases and in some not) indicates that 507,506 shares are owned in Quebec; 426,475 in Ontario; 106,165 in Great Britain; 190,000 in the United States; 193,750 in the Maritime Provinces and most of the balance in the western provinces.

The percentages (which can only be estimates) are: Quebec, 35 per cent; Ontario, 29 per cent; Britain, 6.5 per cent; United States, 12 per cent; Maritime Provinces, 13 per cent; Manitoba, 1.5 per cent; Saskatchewan 1 per cent; British Columbia, 2 per cent. Thus so far as United States penetration of our banking institutions is concerned, their total holdings are less than those of the Maritime Provinces.

U. S. Increase Significant

But the increase in the United States investment in our banks is regarded as significant. It has occurred, it is believed, in the past two years and for obvious reasons.

The following table gives the geographic location of shareholders in the four larger banks. One of them, the Royal, has many shareholders in the West Indies and South America and these are included in the British registry.

Geographical Division of Shareholders of Leading Canadian Banks

	Montreal	Royal	Commerce	Nova Scotia	Totals
Maritimes	18,467	83,740	26,718	55,876	183,801
Quebec	210,547	103,742	41,882	11,335	367,506
Ontario	41,925	50,949	132,435	32,166	256,475
Manitoba	3,965	9,169	3,885	1,948	18,967
Saskatchewan	340	3,099	1,078	310	4,827
Alberta	2,635	3,432	1,523	395	7,985
Brit. Columbia	6,729	5,428	4,770	1,221	18,148
Britain	41,614	20,807	36,644	2,100	101,165
U. S. A.	33,778	69,634	52,065	15,649	171,126
Totals	360,000	350,000	300,000	120,000	1,130,000

Many "Provincial" Banks

There remain eight banks. The Imperial, the Toronto and the Dominion are owned chiefly in Ontario. The Toronto, in particular, is predominantly a Toronto institution. Barclays is owned almost entirely in Britain, but has only 5,000 shares outstanding. The four Quebec banks—Montreal District, the Quebec Savings, the Provinciale and the Canadienne Nationale—are owned practically in entirety in Quebec.

Chief Shareholders Listed

Who, in terms of individuals, are banks? The subjoined list, taken from the official lists, gives the answer and it is interesting to note how some financiers are large investors in several banks.

But even to a greater extent than the names reveal, the trust companies, life insurance companies, colleges, school and religious denominations are very large shareholders. The trust companies control many more bank shares than any other class or group or interest. Most of these shares they would own as trustees for a vast number of small and large estates.

Bank of Montreal

In the Bank of Montreal, (360,000 shares) the major shareholders are: The Royal Trust with several thousand shares; Lt.-Col. Sir H. Montagu Allan, 1,315; the estate of Alfred Baumgarten, Montreal, 1,585; Mrs. Emily M. Caverhill, Montreal, 750; Lady Drummond, Montreal, 691; Sir Charles Gordon, 768; Estate of George Grier, 1,000; estate of C. R. Hosmer, 2,406; Insurance Company of North America, 1,000; estate of Mrs. Sarah Judah, Montreal, 842; Harold Kennedy, 800; J. W. McConnell, 1,100; Sir Vincent Meredith's estate 902; the Molson family 3,693; the Sun Life 3,100; T. H. Stewart, 4,211; William Stewart 6,410. Major E. R. M. Kirkpatrick, Toronto, 2,671.

Bank of Nova Scotia

The chief shareholders in the Bank of Nova Scotia (120,000 shares) are: J. W. Carmichel & Co., Halifax, 604; Dalhousie College, 752; Hon. F. B. McCurdy, 684; D. E. Smith, 800; Sterling Northern Ltd., 1,589; Bankmont & Co., Montreal, 1,000; Mrs. J. B. Boulter, Montreal, 1,051; Alexander Maclaren, 840; Canada Life Assurance, Co., 2,083; J. B. Fraser, Ottawa, 943; estate of W. H. A. Fraser, Ottawa, 942; Senator George Gordon, North Bay, 750.

Royal Bank of Canada

The Royal Bank of Canada: (shares issued total 350,000) Mrs. F. C. Gray, Sault Ste. Marie, 800; W. J. Sheppard, Waubaushene, 1,201; R. B. Bennett, 1,200; Sterling Northern Ltd., Halifax, 958; Hon. A. J. Brown, Montreal, 600; Chartered Investments Corp., 1,000; Depew & Co., Montreal, 3,661; Dominion Investment Co., Ltd., 1,540; G. H. Duggan, 600; Sir Herbert Holt, 4,417; estate of C. R. Hosmer, 2,700; London Canadian Investment Corp., 900; J. W. McConnell, 1,458; Montreal Trust Co., very large holdings running by way of numerous trusteeships, to many thousands of shares; Sovereign Services Corp., 980; Sun Life, 2,000; estate of the late Sir Henry Thornton, 100; World Wide Investments Ltd., 1,621.

Canadian Bank of Commerce

Canadian Bank of Commerce (300,000 shares): Confederation Life, 1,250; F. W. Cowan, Toronto, 1,508; Canada Life Assurance, Co., 2,506; Central Canada Loan and Savings Co., Toronto, 2,000; Sir John Aird, 400; Sir Joseph Flavelle, 1,597; Edgar D. Fox, Toronto, 1,691; D. G. Lingley, Toronto, 855; Mutual Holdings Co., Ltd., Toronto, 1,400; Mutual Life Assurance Co., Waterloo, 500; National Trust, substantial holdings under numerous trust deeds exceeding 3,000 shares; North American Life Assurance Co., 850; Rockland Ltd., Ottawa, 1,208; estate E. B. Ryckman, 560; E. R. Wood, 2,416; T. H. Wood, Toronto, 2,416; A. E. Francis, Montreal, 1,000.

Bank of Toronto

Bank of Toronto: (60,000 shares issued and paid up). Mrs. Harriet V. Blackstock, Toronto, 850; the Gooderham family, in all, 6,865; F. K. Morrow, 583; T. H. Wood, 500.

Imperial Bank of Canada: (70,000 shares issued and paid up). Mrs. K. Howland, Toronto, 603; W. C. Laidlaw, Toronto, 500; Toronto General Trust, several thousands of shares.

Dominion Bank: (70,000 shares issued and paid up). A. C. Ashford, in trust, Toronto, 600; A. W. Austin, Toronto, 1,400; Clarence A. Bogert, Toronto, 1,050; estate James Carruthers, Montreal, 700; Great West Life, 500; Imperial Life, 500; estate W. L. Matthews, 663; North American Life, 1,100; H. W. Williams, 800.

Quebec Banks

Quebec Savings Bank, with 10,000 shares, is owned largely by estates and the holdings are in very small blocks. Premier Taschereau holds 100 shares.

Provinciale Bank of Canada (40,000 shares), has only one or two large stockholders of which the Seminary of St. Sulpice at Montreal, with 528 shares, is one of the largest.

Banque Canadienne Nationale, (70,000 shares): late Senator F. L. Beique, 816; Quebec Savings Bank, 328; Arthur Decary, Montreal, 400; Beaudry Leman, 300; Arthur Roy 628; Seminary Saint Sulpice, 1,044; General Trust Co., nearly 6,000; Senator J. M. Wilson, 811.

Montreal City and District, 20,000 shares: Quebec Savings Bank, 1,312; estate Mrs. S. C. Judah, 1,004; estate Hon. James O'Brien, 800; estate Hon. Edward Murphy, 850; Molson family, 1,865.

Held For Generations

In all four Quebec banks it is apparent that the stock has been held by the same families for generations. Stockholders are scattered broadcast throughout the province; the average holding is very small.

Barclay's Bank, Canada, 5,000 shares: The parent companies at London own 4,760 and eight others hold 30 shares each, as folows: Sir Robert Borden, Premier L. A. Taschereau; Messrs. Purvis, Magee, Macdonald, Stevenson, Alton and Crossley.

Canadians Predominate

Looking through the shareholders' lists of the banks one fact of unique interest at once becomes apparent. The majority of the stock is held by Canadians and practically all of it by English-speaking people — by Anglo-Saxons. Yet, while registered at various Canadian cities, New York and London, these shareholders have found their way to the most remote and inaccessible parts of the world.

Distribution World Wide

One would almost hazard the guess that when bank dividends are paid cheques are mailed to almost every city over 20,000 population the world over, as well as to many country points. There are stockholders in the Indian Civil Service; stockholders who live in Tibet, in the interior of South America, in Japan, China, Manchukou, Mongolio, Russia, Scandinavian countries; they are scattered liberally across continental Europe and abound in all the larger cities of the United States.

There are families in New Orleans whose chief income must be derived from investments in Canadian banks. In far away Hawaii, stockholders draw their dividends. Tahiti, the Solomon Islands—wherever the human race has adventured, there wil be found people who have placed some of their savings in our banks.

For the most part they would appear to be Canadians. Of course many are British and not a few are Americans. Yet familiar names pop out of the serried columns. Robert Service, poet and author, lives at Paris and draws substantial dividends from more than one Canadian bank. Statesmen, diplomats, doubtless crooks and gangsters—the shareholders' lists of the banks are a cross section of the human race.

Ford of Canada Declares Dividend

Ford of Canada is paying May 28 to every shareholder of record May 8 a dividend of 50 cents a share on 1,588,960 Class A shares and 70,000 Class B voting shares, outstanding. Different from the December payment made as an expression of confidence after a year when the company suffered a loss, the present payment is made in an atmosphere of increasing business. The company sold 12,500 units in the first quarter of 1934, twice what had been sold in the same quarters of 1933 and 1932. Export sales exceeded anything since 1929.

Aggregate value of sales was reported at $7,000,000 of which wages and salaries made up $1,500,000 for 4,500 people employed on the average. The minimum factory wage has been raised to $5 a day and various sales branches east and west have been re-opened.

PUBLIC SALE ABITIBI POWER MAY YET COME

(Continued from page 1)

terests, disappointed in their endeavors to get control of Price Bros., now in the throes of reorganization, are studying the chances of Abitibi with an interested mind and that they have even been dickering.

Reorganization or Sale

Even though 100 per cent consent of bondholders cannot be obtained, it is likely that a reorganization plan may be submitted to the bondholders as soon as the time is ripe and as much adherence to the plan as possible obtained. If bondholders showed a 95 per cent vote for the plan, it would still fail but it would mean that bondholders would be represented at any sale. In the securities bill now brought before parliament provision is made whereby 90 per cent of all classes of shareholders can determine a policy against a minority and in 1933 the Companies' Creditors Arrangement Act also provided a way out for bondholders. Several large attempts at reorganization are now being held up while the constitutionality of that act is being determined. Abitibi will also be affected and a reorganization plan might come quickly if a majority decision is permitted under the forthcoming ruling of the Supreme Court.

STANDARD STEEL HAD LOSS IN 1933

Reduced Surplus to Pay Preferred Dividend—Merger Proposed

Standard Steel Corporation, which received an offer from United Steel Corporation for an exchange of shares with a view to merger, has sent to its shareholders a financial statement for 1933 which shows a loss of $10,001 as compared with a loss of $14,764 in 1932, after depreciation and other items including a preferred dividend payment of $7,342 resulted in the current surplus dropping from $250,663 to $231,609.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1933	1932
	$	$
Net earnings*	§10,001	§14,764
Less: Ont. corp. tax	816	1,282
Life insur. premium	3,140	3,136
Net loss	13,957	19,182
Less appropriations: Preferred dividends	7,342	29,370
Deficit for year	21,299	48,552
Add: Previous surplus	250,666	301,032
Life ins. value	2,164	....
Refund of 1931 tax	78	....
Less: Addit. inc. tax prior years	....	1,814
Bal. carried forward	231,609	250,666

*After deduction of operating costs, depreciation and cost of management.
§Loss or deficit.

Working capital was down but the ratio of current assets to current liabilities improved as shown by the following statement:

Working Capital

	1933	1932
	$	$
Current assets	258,177	344,207
Current liabilities	9,352	24,128
Working capital	248,825	320,079
Ratio	27.61—1	14.27—1

CAN. WESTERN INCOME IS DOWN TAXES HIGHER

Company Redeems Debentures, Making Preferred Senior Stock

BANK LOANS PAID

Canadian Western Natural Gas, Light, Heat & Power Co. total sales and other income are down for 1933 as compared with 1932, but on account of lower expenditures there is little difference in net earnings. After payment of preferred and common dividends and adjustment there was a deficit for the year and the surplus dropped during the year from $176,102 to $151,217. There was a further increase of taxes to a point where this charge represents 12.82 per cent of the gross revenue of the company, or 4 cents for every cubic foot of gas sold.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1933	1932
	$	$
Sale of gas	2,055,617	2,151,041
Add: Other inc.	29,802	64,277
Total income	2,085,419	2,215,318
Less: Cost of gas, distrib., oper. & adminis. exp.	1,073,816	1,120,777
Net earnings	1,011,603	1,094,541
Less: Deb. int.	....	28,104
Other int.	23,428	26,546
Depreciation	20,202	27,402
Bad debts res.	18,285	12,715
Amortization	197,715	217,827
Taxes res.	263,500	249,290
Res. for loss on loan	....	4,500
Net profit	488,472	528,156
Less: Pref. divs.	†193,478	184,552
Com. divs.	240,000	360,000
Pref. div. accr.	....	16,607
Trans. to cap. red. res. fund	70,000	70,000
Surplus for year	*15,005	*103,003
Add: Prev. surp.	176,102	254,590
Transfer of:		
Empl. pens. fd.	....	20,000
Auto. ins. res.	....	4,516
Ins. recovered	577	....
Less tax adj.	10,457	....
Balance forward	151,217	176,102

*Deficit.
†Paid and payable.

The deficiency in working capital is somewhat less as shown by the following comparative table:

Working Capital

	1933	1932
	$	$
Current assets	686,832	608,124
Current liabs.	759,721	915,726
Working capital	†72,889	†307,602
Ratio	0.90—1	0.66—1

†Excess of current liabilities over current assets.

Paid Too Much Dividends

Cash is up from $51,887 to $124,582, inventories are down from $113,521 to $109,152, and accounts receivable are up from $442,716 to $453,098. In current liabilities bank loan of $80,000 at the end of 1932 disappears and accounts payable are down from $405,203 to $404,312. At the end of 1932 dividends payable on common were $80,000 and at the end of 1933 stood at $1,683. There may be some connection between this drop and the following reference in the auditors' report to shareholders:

"In respect of 75,569 ordinary shares (there are 80,000 shares issued altogether), the property of Dominion Gas & Electric Co. but pledged with and registered in the name of Guaranty Trust Co. of New York, as trustee pursuant to the terms of the indenture securing the collateral trust gold bonds 6½ per cent series of Dominion Gas & Electric Co., we find that dividends on said shares have been paid during the period ended July 15, 1933, to Dominion Gas & Electric Co. in excess of the proportion to which in our opinion the Dominion Gas & Electric Co. was entitled on said date by virtue of an order with regard thereto filed by Guaranty Trust Co. The transfer of certain assets and liabilities of Calgary Gas Co., subsidiary, has not yet been passed upon by the Board of Public Utilities Commissioners of Alberta, and the disposition of amortization reserve as summarized in above balance sheet is subject to approval of that board."

The amortization reserve referred to in the last sentence above is shown at $1,785,922.

Redeemed Debentures

Notice was given for redemption of the company's debenture stock on June 15, 1933, and the required amount was deposited with British Empire Trust Co., Ltd., the trustees for such stock. At the end of 1933 $4,490,629 of this stock had been redeemed and cancelled leaving only $9,363 outstanding. The release of the trust mortgage from the company's properties will soon be accomplished, states H. R. Milner, president, in report to shareholders. This makes the preference stock now the senior stock of the company. There are 35,000 shares of 6 per cent cumulative redeemable preference stock outstanding, 3,049 shares having been redeemed and cancelled through the operation of the capital redemption reserve fund which now stands at $280,854.

The policy of declaring regular quarterly dividends has been discontinued and payments will be made in future at irregular intervals as income justifies. The preferred dividend should continue, directors recommend.

Imperial Oil And Int. Pete Paying Bonuses

Imperial Oil and International Petroleum Co. both justified recent market excitement in the stock by declaring bonus dividends in addition to the regular declarations on April 26. Both companies also decided to pay their dividends on a semi-annual basis instead of on a quarterly basis as previously, and in so doing it is believed that they will save large sums of money

Imperial Oil declared its intention to pay 25 cents a share on June 1, the first payment on a semi-annual basis and a special disbursement of 15 cents a share to shareholders of record May 15. In the case of bearer share warrants they will pay on coupon No. 41.

International Petroleum will pay its regular dividend at the rate of 56 cents a share semi-annually on June 1 and a special disbursement of 44 cents a share to shareholders of record May 15. Bearer share warrants will be paid on presentation of coupon No. 41. In both cases it is intimated that the extra disbursements represent foreign profits accumulated.

Western Grocers Sales Are Again Increasing

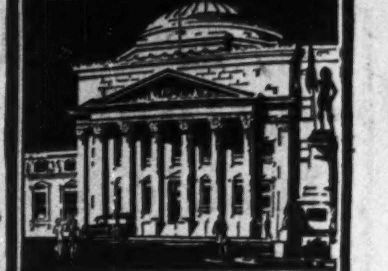
W. P. Riley, again elected president of Western Grocers, stated at the annual meeting in Winnipeg on April 25, that sales of Western Groceries and Dominion Fruit for the first quarter of 1934 are ahead of those for the first quarter of 1933.

All the old directors were re-elected, including James A. Richardson, first appointed two months ago.

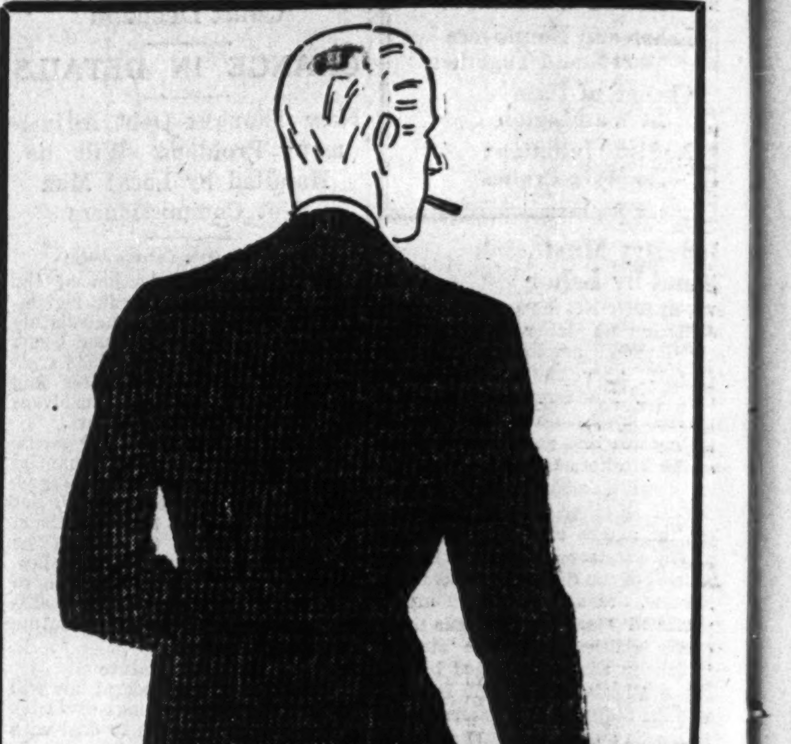
For 116 years
—a stabilizing factor in Canadian business.

Head Office: Montreal

TOTAL ASSETS
IN EXCESS OF
$750,000,000



BANK OF
MONTREAL
Established 1817



Swing-Ease

A 1934 "business-sports" suit
tailored to your measure
29.50

COMING or going, you'll like the smart appearance of the new Swing-Ease suit. The back of the coat is as interestingly styled as the front . . . the yoke, the knife pleats, the mock belt and the bellows pleats under the arm give remarkable body freedom. Select from dozens of all-wool tweeds, materials that tailor into Swing-Ease models beautifully. At 29.50.

Other business suits, tailored-to-measure, at 29.50

Simpson's—Second Floor

THE ROBERT SIMPSON COMPANY LIMITED

Paramount $12,237,071 Suit Against Eighteen Directors

Decision of trustees of Paramount Publix Corp. to enter suit in the New York Supreme Court against 18 directors and their estates to recover a maximum amount of $12,237,071 will be of great interest to those former shareholders of Famous Players Corp. in Canada who were induced in 1930 to exchange their shares for Paramount shares.

Accountants Disagree

The suit authorized on April 27 by the trustees with the approval of the bankruptcy referee, Henry K. Davis, will be based on the contention that the directors authorized such buying back of capital stock at a time when such purchases constituted an impairment of capital. The purchases, the trustees contend, constituted an expenditure of capital rather than of surplus funds. A company incorporated in New York state, it is claimed, can only make such repurchases out of surplus.

Incidentally, this suit affords an instance of just how far accountants can disagree in estimating the position of a large corporation such as this. Three different firms have made as many different reports: firm No. 1 reports that the capital of Paramount Publix had been impaired to the extent of at least $11,335,285 by the stock repurchases; firm No. 2 claims the impairment was only $3,257,458; and firm No. 3 states that no facts have been presented to show that there was any impairment at all.

Zukor and Wiseman Defend

Of the 18 directors, who will defend themselves against this suit, Adolph Zukor, president, was formerly president of Famous Players Canadian Corp. and engineered the exchange of stock of the Canadian company into the common stock of Paramount. Sir William Wiseman, another director, was a director of Famous Players Canadian Corp. as well.

Quinte & Trent Has Loss Will Pass Bond Interest

Quinte and Trent Valley Power Co. suffered a net loss of $54,979 for the year ended Dec. 31, 1933, after bond interest and depreciation, the recently issued annual statement reveals. This compares with a loss of $20,841 on the same basis a year ago. Working capital dropped from $46,549 to $6,731.

The unsatisfactory results for the year were due to the closing of Canadian Paperboard's mill at Campbellford. Quinte and Trent's claim against Canadian Paperboard Co. was settled at $250,000, on which Quinte and Trent obtained the six per cent dividend of ordinary creditors, or $15,000, and 2,350 common shares of Canadian Paperboard Ltd. in settlement of the balance of the claim, under the reorganization scheme for the latter firm, the report states. Quinte and Trent has also received a note for $44,167 for monies owed by Canadian Paperboard.

Can't Pay Interest

President J. G. G. Kerry states that the company will be unable to pay bond interest when the agreement to postpone same expires June 30, and will, therefore, call a meeting of bondholders to consider future arrangements. Non-payment of preferred dividends has resulted in these shares obtaining a majority on the board of directors, who also represent large holders of bonds, it is stated.

Further Heavy Losses For P. T. Legaré in '33

P. T. Legaré Co. suffered an operating loss of $188,443 for the year ended Dec. 31, 1933, compared with $247,919 in 1932. After bond interest of $59,574, depreciation of $45,000 and debenture interest of $42,000, loss for the year was $335,017 as against loss of $394,541 in 1932. Debenture interest has not been paid since 1931.

Surplus was further reduced by writing off investment of $133,700 in Legaré Automobile and Supply Co., and surplus carried forward is shown at $304,530, compared with $773,247 in 1932.

Sales in recent months are stated to have shown improvement.

Working capital was reduced nearly $282,000.

Fixed assets are carried at $2,781,170 and investments at $283,000. There remains outstanding $989,900 of six per cent first mortgage bonds on which sinking fund is in arrears, and $700,000 of six per cent debentures on which interest due and accrued totals $84,000. Reserve for depreciation is shown at $670,000 and general reserve at $330,760.

Red Labor Leaders Call Fake Strikes To Upset Industry

W.U.L.'s Professional Picketters Were Never Employed by Victimized Firms, Investigation Shows—Unthinking Employers Bludgeoned

GROWING MENACE

Despite Improving Conditions, Number of Strikes in Canada Fostered by League Increases — Businessmen Warned Against Racketeering Method of Enforcing Demands — Organized Labor Launches Aggressive Fight

In 1933 there were in Canada, a total of 200 industrial strikes, of which the Worker's Unity League, instigated 172. Established, recognized labor organizations were responsible for less than 20 strikes in this period.

In the first three months of 1934, a period of steadily rising wages, and increasing employment, there were 89 strikes in Canada, 64 of which were admittedly started by the W. U. L.

One more figure: in the period from August, 1932 to February, 1934, there were 273 strikes in Canada, embracing 51,707 workers, sapping industry of 541,000 days, causing in many cases bloodshed, in every case, suffering.

And behind the great majority of these strikes lay the moving spirit of the W. U. L.

In industry workers have been quicker than employers to see the serious menace to healthy industry which is contained in these figures.

Activities Increase

Labor, organized, long established, recognized labor, has long ago ceased to have any dealings with the W. U. L. unions. Employers have not. Still throughout Canada businessmen and industrialists are being bludgeoned into recognizing the so-called unions conceived in every trade by this organization.

The fact cannot be overlooked that despite generally improving labor conditions the W. U. L. have managed to increase their activities, and take a decided step toward their avowed goal of so unsettling the delicate balance between labor and capital that open hostilities will commence, ending in the downfall of the employing classes, referred to by W. U. L. vocal and literary organs as "the bosses." To gain their ends, tactics are being employed which smack more of the gangster than of a legitimate organization.

At the present time, the Unity League is finding fertile fields of trouble among the smaller restaurants in Canada. The Hotel and Restaurant Worker's International Union, local 555 affiliated with the A. F. of L. which is the Toronto branch, although retaining their charter, have been inactive for a number of years. Only recently, with the co-operation of restaurant owners, many of whom preferred to treat with the established union rather than the W. U. L., the A. F. of L. organization was revived, and is increasingly active, forming stiff opposition to the W. U. L. organizers. However, the fact that many restaurants do not employ union labor, inasmuch as prior to the W. U. L. and the revived A. F. of L. unions there was no demand for such a step, is being made much of by the W. U. L. in their carefully staged "strikes."

The following case, while not involving a large business, is typical of the way the W. U. L. is working among the smaller business in cities right across Canada, as well as in the larger concerns.

"Sign up or Else ——"

Mrs. Margaret Shyka has for a number of years been operating a restaurant, known as the Two Minute Lunch, at 73 Adelaide St. W., Toronto. She has never had any labor trouble with the six or seven girls she employs until the shadow of the W. U. L. fell across her path.

One day, about a month ago, during the noon hour rush, three men entered the restaurant, and walked through to the kitchen, where Mrs. Shyka was working. They told her that her employees wanted to join the W. U. L. union, the Industrial Food Workers Union. They produced papers for her to sign. She had never seen the three men before, and cannot read English. She pleaded for time to consider the matter, and talk it over with her employees. The men said they would give her two hours. If, after that time, she did not sign, every one of her employees would walk out on strike.

Mrs. Shyka started to cry. She called in her help, and asked them what the matter was. She found that unknown to her, every employee had been canvassed by the W. U. L. They had been told that if they forced their employer to sign the agreement with the W. U. L. they could have everything they wanted. One girl said she had been told she could dictate her own wages, and hours of work. Mrs. Shyka asked the girls if they were dissatisfied with their present wages, and they all replied that they were not. All they wanted was for her to sign the papers, and allow them to join the W. U. L.

Pluckily, Mrs. Shyka told them they could join the W. U. L. if they liked, but she would not sign the papers until she had had time to get them translated for her. She was paying them the same wages as other restaurants, and the three strangers had made no demands for higher wages. When these three men returned in two hours, she told them the same thing.

Picket Appears

At the command of the trio, the entire staff at the Two Minute Lunch walked out. In a little while a fourth stranger appeared outside the door of the restaurant with a sign—"The management of this restaurant refuses to recognize the union, and to pay union wages." This in spite of the fact that Mrs. Shyka had not been asked to increase her wage scale at any time.

For four weeks, at rush hours, Mrs. Shyka's restaurant was picketted, occasionally for the first few days, by one of her former employees; generally, and for the last three weeks, entirely by a stranger. It affected her business materially. Finally, at the end of a month, she sold her restaurant, the new manager, at a cost of about $30 securing a court injunction preventing the picketting, on the ground that he had had no dealings with the former employees.

This case is being duplicated in hundreds of restaurants across Canada. In many cases, the employer, not having the courage of Mrs. Shyka, or through lack of information, succumbs to the demands of the W. U. L., signs the agreements, thereby laying up for himself trouble for the future.

Viewpoint Communistic

If there is any doubt, even now, in the minds of Canadians as to this clash being the aim and object of the W. U. L. (a clash, strangely enough, which is identical with that visualized by the Communist Party) let them speak to Thomas Charles Sims, national secretary of the W. U. L. whose headquarters are in Toronto.

Sims was asked by The Financial Post just where recognized labor unions and W. U. L. parted company, because the mighty upheaval between capital and labor which the W. U. L. see as inevitable, could not be much more bitter than that existing right now between the league and the established labor groups. Here was his answer:

"We believe in united action to organize the workers to be ready to fight. The A. F. of L. believes in depending on the good sense of the boss. We don't do that. Depending on the good sense of the boss never gets you anywhere. The A. F. of L. believes that the worker and the boss can get along together if they have the right sort of agreement. We don't believe that. All that the working class has got and will get is through showing a united front."

More Potent Club

Sims went on to say that while the A. F. of L. adopted the policy of organizing the workers according to craft, the W. U. L. believed that unity of action could only be obtained by organizing them according to industry, that is, by having all the workers in one factory, no matter how varied their avocations, organized into one group. In this way, in the event of a strike, a more potent club could be brandished over the head of the employer. In the railroad industry, the A. F. of L. had 27 different unions, whereas the W. U. L. would have only one.

Organized labor officials see the difference between the two in much the same light. William Varley, secretary of the Building Trades Council, which, through the Canadian Trades and Labor Congress is affiliated, economically, with the international American Federation of Labor, stated, that the reason the two organizations clashed so sharply was that their view of the relationship between capital and labor was directly opposed. The long-established labor groups believed that the interests of the employer and employee were basically the same; that the healthy condition of industry is essential to the livelihood of both, and that a satisfactory working arrangement between the two can be worked out by agreement.

A. F. of L. Not Planning Strike

Although Sims told The Financial Post that the A. F. of L. had aligned themselves with the impending strike in the building trades, scheduled to start May 1, Varley denied that his group had anything to do with it. It was purely an affair of the W. U. L., and organized labor was going to have no hand in it. No question of wages was at stake, he said.

The objective of the W. U. L., according to Varley, was to take advantage of the troubled times to further their political ends, which, he charged were communistic. The organized unions, on the other hand, were not political in any sense of the word, but were legislative. The discipline which the A. F. of L. exercised over their members was, necessarily, voluntary. They had no authority over them, no club to wield. On the other hand the W. U. L. used terrorism to enforce their aims. W. U. L. strikes were often featured by stoning, assault, and intimidation of loyal workers who continued their jobs.

Work Among Restaurants

Varley cited the strikes last October in Stratford furniture factories, stating that organized labor had no hand in the affair. Although agreements had been signed by the employers, the workers themselves were no better off after the strike was settled than they were before. It was not that the W. U. L. cared about. It was the clash itself that interested them, claimed this representative of organized labor.

An example of the activities of the W. U. L. and the serious menace they form not only to the businessman but to the worker himself, is every day apparent in cities across Canada, in the form of the restaurant strikes. Sims told The Financial Post that although the Food Workers Industrial Union was started by the W. U. L. only five months ago, it has already 21 locals in Canada, distributed in every major city from coast to coast. In Toronto alone there are three locals, comprising all workers in 30 restaurants in the city.

"And Why Not?"

This adolescent organization has in its brief career, instigated no less than nine strikes in the city of Toronto. Not one of these strikes have been started or aided by the A. F. of L. unit, the Hotel and Restaurant Employees Union. And the aim of the W. U. L. is to link every restaurant in every city across Canada in their union. Sims complained to The Financial Post that while these strikes were in progress, the A. F. of L. union allowed their men to work for the restaurant.

And why not? reply the A. F. of L. In every café, the restaurant was paying union wages, and was willing to employ A. F. of L. union men. The rub was that these same restaurant proprietors refused to recognize the W. U. L.'s child, the Food Workers Industrial Union. Therefore the W. U. L. pulled their men out on strike—not for higher wages, but for recognition.

In another field the W. U. L. are increasingly active, the cleaning and pressing industry. A new organization, the Cleaning and Pressing Worker's Union, already numbers 900 members in Toronto, is effective in 12 shops. Already there has been one abortive strike, called in an effort to make the proprietor employ only W. U. L. men.

Labor Greatest Ally

Although every day the objectives of the W. U. L. are being made increasingly clear, many business men fail to distinguish between the efforts and demands of this body and the demands of the old labor groups. The business man, in his fight against the designs of W. U. L. will find his strongest ally in labor. He will find labor union men still willing to work for him, as long as he recognizes them as a union, and complies with their wage demands. Many W. U. L. strikes have been foiled by this very fact.

Organized in 1930, the W. U. L. could not long seriously hide the fact that it was the Canadian section of the Red Internationale of Labor Unions with headquarters in Moscow. When this became generally known, the league, finding itself attacked on many fronts on account of its red affiliations, changed its set-up so that the connection with the Internationale was not contained in its constitution. However, in the new constitution, drafted in 1932, it is stipulated that the W. U. L. shall strive to strengthen and improve its existing fraternal relationship with the Red Internationale of Labor Unions, and will seek to achieve fraternal co-operation with this body in the various trade union campaigns in "the course of the struggle."

Losovsky Speaks

It was inevitable that the W. U. L. should have broken sharply with the organized labor unions, and it is apparent from its inception that the W. U. L. had never intended to work with the already constituted labor bodies.

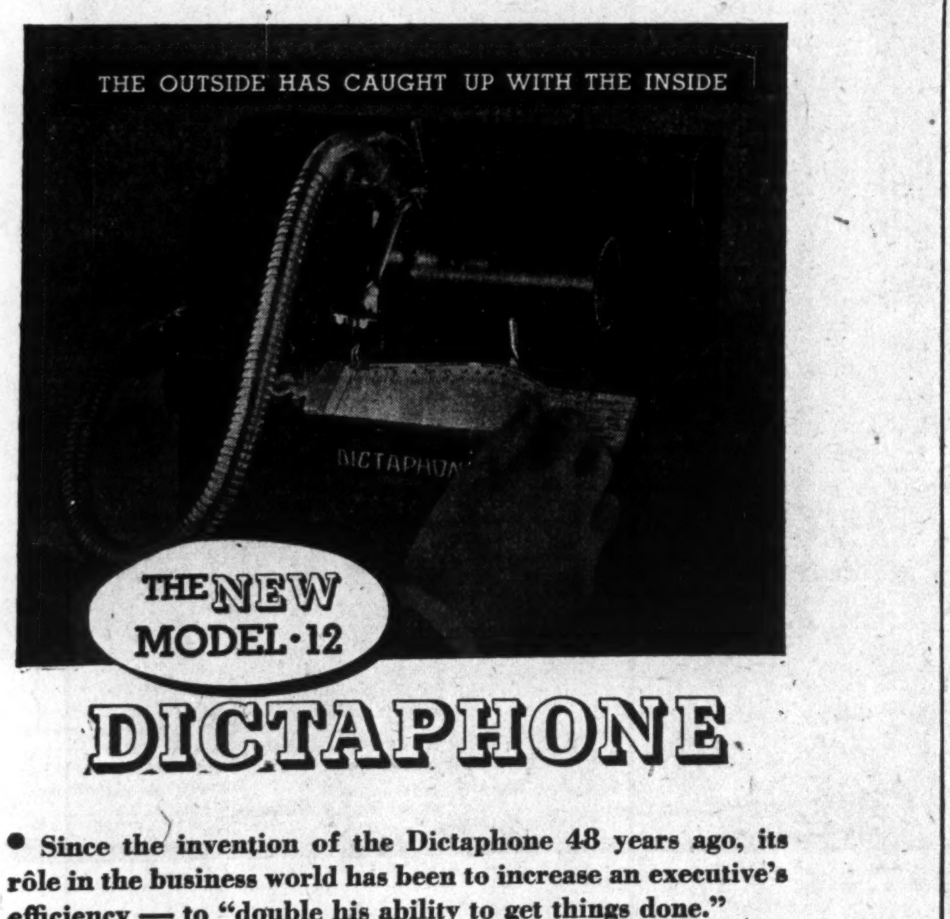
W. U. L. officials claim the league is a purely Canadian organization, not connected in any way with any international body. In spite of this claim, the words of Losovsky, secretary of the Internationale of Labor Unions, as reported in the official magazine of that body, are of interest in view of developments in Canada:

"In creating Red trade union organizations, have you strengthened the existing trade unions? Do you want to strengthen them? Nothing of the kind. So long as we do not weaken and discredit them before the masses, so long as we do not disrupt their discipline, so long as the trade union apparatus is not destroyed, so long will they disrupt the struggle of the working classes—the economic and political struggle."

Brewing Co's Want Lower Federal Tax

The consolidation of the existing duty of 3 cents a pound on malt used in brewing beer and the gallonage tax of 12½ cents on beer now levied under the special War Revenue Act to a single duty of 7½ cents a pound on malt, makes little change in total taxes from brewers.

Brewers in Ontario, however, who are just increasing output under the new Ontario law believe that it would be exceptional encouragement to them if this duty were reduced to about 5 cents a pound on malt. They think that an increase in consumption as a result of a cheaper beverage might give the same revenue. The increase of the existing duty on beer and fermented beverages made from substances other than malt may have some effect. The existing tax of 20 cents a pound on malt syrup is to be reduced to 17 cents to allow for the decrease in the duty on the malt used in its production and will be levied as an excise duty. The existing tax on sweet wort is to be repealed. All these changes in duties go into effect on July 1.



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P. A. Cooper to Enter West By Way of Hudson Bay

First Governor in Company's Long History to Take Pioneer Route of Henry Hudson — Inspecting Posts from New Base

P. Ashley Cooper, who in a few years term of office as Governor of Hudson's Bay Company has covered by airplane, steamship, automobile and rail the company's far flung outposts more thoroughly than any previous governor, will again break new ground in the summer of 1934 by entering Hudson Bay for the first time on record for a governor by the route pioneered in 1610 by that noted explorer, Henry Hudson, in the "Discovery." The governor and Mrs. Cooper will join the Nascopie, Hudson Bay steamship, at Montreal on July 7 and proceed to Churchill, arriving about August 17.

After familiarizing himself with the company's operations in Hudson's Bay and the Eastern Arctic, he will spend a month in Western Canada.

Two years ago the governor flew down the Mackenzie River as far as Fort Smith and last year he visited posts in Northern British Columbia.

The Nascopie also will take a Royal Canadian Mounted Police detail under Inspector Irvine and a Dominion Lands Administration party under Major D. L. McKeand. The Right Rev. Dr. Archibald Lang Fleming, Anglican Bishop of the Arctic and the first prelate to occupy that See, is expected to join the Nascopie at Fort Churchill to visit mission posts in the Eastern Arctic. His diocese covers more than 1,200,000 square miles of land area alone.

The Hudson's Bay Company's Steamship Nascopie has 2,521 tons gross register, very different from the "Discovery" of Henry Hudson, which was of 55 tons burthen, and the small ketch Nonsuch which made the first voyage for the Hudson's Bay Company in 1668 under Captain Gillam. It was this latter trip and the valuable cargo of furs brought back that led to the incorporation in 1670 of the company. The Nascopie will return to Quebec by September 30.

World Recovery Seen to Face 3 Conundrums

The three present-day conundrums of world recovery in the view of a competent British observer are listed as follows:

(1) The uncertainty of continued and real success for the American experiment.

(2) The tension in Europe.

(3) The inability of Lancashire to cope with its main competitor, Japan.

Viewing the world scene, this observer picks out the American situation as by far the most significant to English eyes and believes that for some time to come the United States will remain "the great imponderable in the world equation, which at any time may destroy the most careful of calculations."

In respect of the amazing recovery accorded in Great Britain the following comment is made:

"As a nation we shall blind ourselves to reality if we do not keep in the foreground of our perspective this one major fact—that the incentive and means of recovery have been the change in our economic system from an open to a protected home market and the luck (or providential gift) of being the strongest of a world community of economically weakened nations.

"This fact alone must make recovery, however swift, and however welcome of its nature, precarious. For that which is fed from economic artificialities may be injured by counter artificialities.

Brewing Corp. Shares Listed

The managing committee of the Toronto Stock Exchange has approved the listing of an additional 25,038 common shares of the capital stock of brewing Corp of Canada, Ltd., on the industrial section. This brings the total listed capitalization to 355,589 common and 152,086 preferred shares.

Personal Attention

Every Estate, Trust and other Account in our care and our clients interested therein receive the personal and interested attention of senior executives.

A Conservative Trust Company for the Public's Service.

Crown Trust Company
393 St. James Street, Montreal

Brewing Corp. Raises Wages To 1929 Level

Brewing Corp. of Canada has increased salaries of office help and wages of other workers to old standard in force before the depression.

This amounts to 25 per cent for wage earners and 12½ per cent for office help.

Production has been stepped up by this and other companies in order to increase the proportion of properly matured supplies available when the new Ontario law becomes effective. In the industry it seems to be expected that, in spite of recent events, the provincial election will be over and this law effective by July 1.

The industry is not desirous that the new law should be made effective before the election. The intervening time can very well be used to great advantage preparing for the new conditions. The building up of an organization to act under the new conditions and the building up of inventories takes time and a lot of money. Beer should be four months old in any case before being put on the market. The Liberal decision to abide by the new law removes the last uncertainty about the new régime.

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UNDER RELIANCE DIRECTION

St. George Pulp to Reopen

About a hundred men are employed at present hauling pulpwood to the plant of the St. George Pulp and Paper Co. at St. George, N.B., and the mill is expected to begin operations shortly.

Get a Straight Eight for your Money

YOU'LL BE PROUD TO OWN THIS *big* 1934

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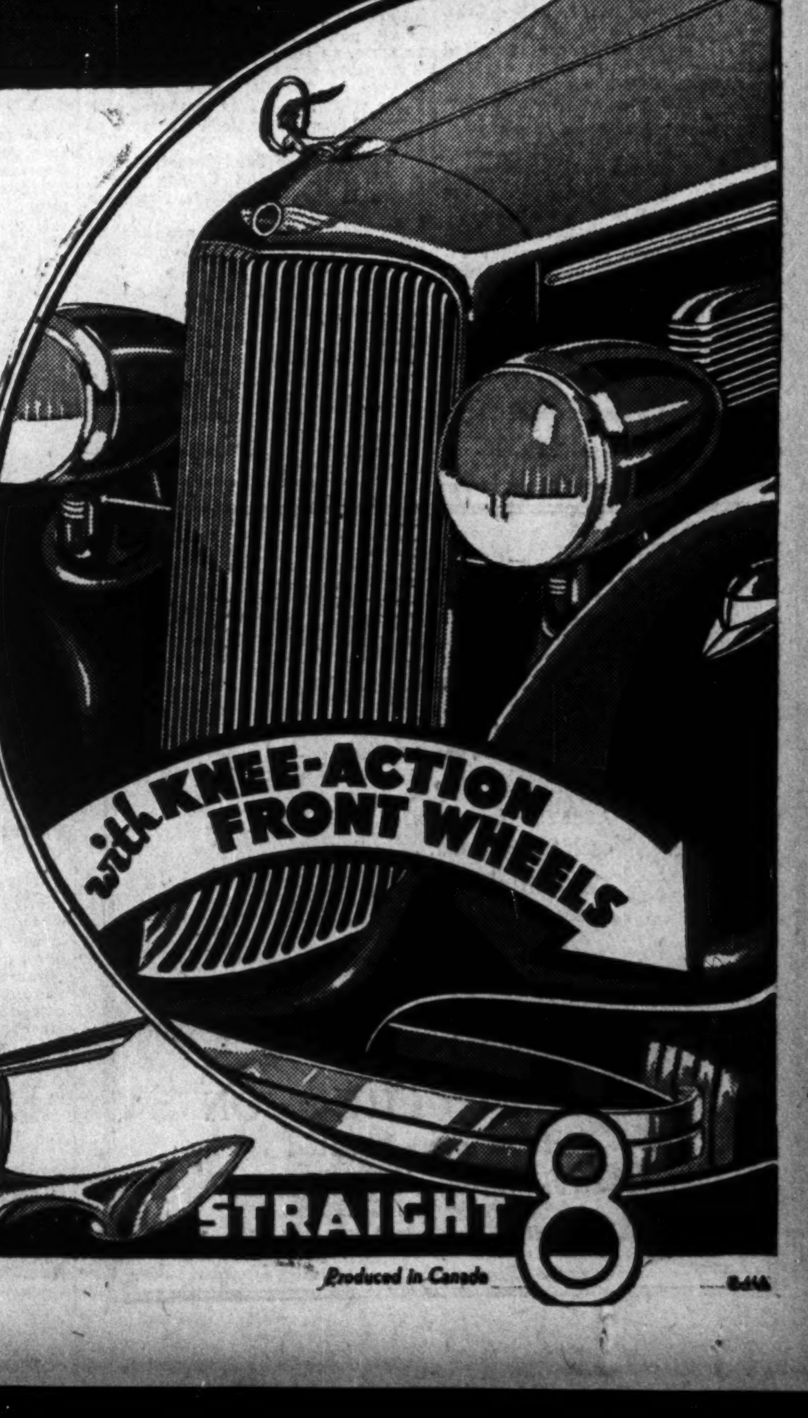

THERE'S smoothness and snap to an Eight-in-line that fewer cylinders cannot match!

Pontiac gives you this typical Straight-8 performance, and adds to it the velvety cushioning of the Floating Ride, with Knee-Action Wheels.

Hundreds of thousands of miles of owner-driving proved this husky Straight-8 in 1933. Now a host of useful new features have *improved* it for 1934. Pontiac is not only the quality car of low price—it is, the easiest-riding, most satisfying automobile you can buy for the money. Pontiac is the kind of car you'll be proud to own when it's brand new, and later, when an ordinary car would be considered old! For General Motors have engineered and built it to live a long dependable life.

But drive Pontiac yourself. Three minutes behind the wheel will do more than three hours of specification reading to convince you that Pontiac is a wise choice for 1934!

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Utilities and Transportation

WPG. ELECTRIC MAKES HEADWAY SINCE YEAR-END

Operations and Earnings Show Increase—Outlook Improves

From Our Own Correspondent

MONTREAL. — Winnipeg Electric Co. reports a higher net income for the first quarter of 1934 than was the case in the same period last year.

Gross revenue amounted to $1,410,165, a decline of $13,459 from the first quarter of 1933. Operating expenses and depreciation showed a reduction of $27,635, with the result that net earnings at $422,463 showed an increase of $14,176 over the quarterly figures for 1933. Fixed charges registered a reduction of over $9,000, leaving a net income of $89,200 as against $65,992 in the first three months of 1933.

The kw.h. output of the Winnipeg Electric power department for March recorded an increase of 16 per cent over the same month last year, part of this increase being due to the steam boiler business which the company had taken on.

Conditions are Better

General business conditions in Winnipeg, according to A. J. Nesbitt, seem to have taken a definite turn for the better and in this improvement Winnipeg Electric Co. and its subsidiaries were sharing.

The situation regarding Winnipeg, according to Mr. Nesbitt, looks more hopeful today than for some time past; an indication of the improvement experienced by the company is seen by the fact that for the first time in four years gross earnings of the street railway utility for the month of March, showed an increase. Although this increase only amounted to 1.7 per cent over March last year, it was regarded as evidence of betterment in general conditions.

International Hydro To Conserve Resources

From Our Own Correspondent

MONTREAL.—International Hydro Electric System is now earning its dividend requirements, but prudence demanded that the cash be conserved, according to a statement made by A. R. Graustein, president, at the annual meeting of the shareholders.

Mr. Graustein called attention to the fact that a $30,000,000 debenture iissue would mature in ten years and added:

"Some may wonder why we are worrying about a maturity 10 years away. We feel we should reduce the amount outstanding to make the remaining amount more easy to handle. The utilities have had some very severe burdens imposed upon them by the Federal Government.

"With the large system we have, we should be pretty careful to make sure that we will not need the money for other purposes before we plan paying out money in the form of dividends. The situation is unsettled. The utilities are under attack. It is good business, therefore, to build up our strength until we can see more clearly where we are heading."

Dominion Gas & Electric Registers Bonds Outstanding

In the list of company securities registered at Washington appears the name of Dominion Gas & Electric Co. which does business through subsidiaries in Alberta, Saskatchewan and British Columbia, but has its head office at Philadelphia, Pa. The description of the company's issue is made as follows:

"The company expects to issue $1,884,500 in collateral trust gold bonds, 6½ per cent series, with common stock purchase warrants attached. No part of the proceeds will be received by the issuer, as the bonds are already outstanding. In the event of exercise of the rights granted by the warrants to purchase in the aggregate 28,267½ shares common stock of Dominion Gas which are attached to the $1,884,500 principal amount of collateral trust gold bonds, the proceeds will be received by Dominion Gas as follows:

"(1) If such rights are exercised on or before September 1, 1936 — $7.50 a share.

"(2) If such rights are exercised thereafter and on or before September 1, 1938 — $10 a share.

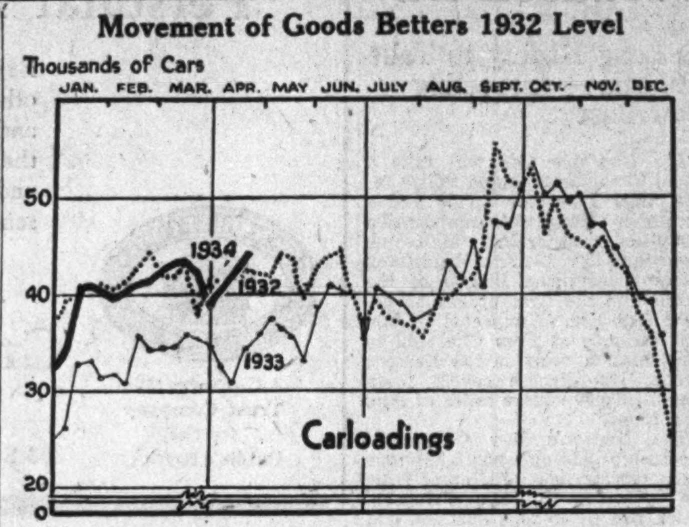
"The issue has not been underwritten."

City Gas and Electric Take Over Public Service

From Our Own Correspondent

MONTREAL.—Bondholders of Public Service Corp., owning and operating the waterworks at Ste. Therese, P.Q., have accepted the offer to exchange their bonds for those of City Gas and Electric Corp. on a basis of $25 of par value 6½ per cent first mortgage bonds of the latter company for each $100 par value of bonds of Public Service. In addition to this exchange, the bondholders of Public Service Corp. will also receive some common stock of City Gas and Electric Corp.

Movement of Goods Betters 1932 Level



Although wheat movement during the past six months has been considerably higher than in either of the previous two years, heavy loadings of lumber products and general merchandise raised loadings above the 1932 level.

CANAD. AIRWAYS SHOWING BETTER OVER PAST YEAR

Operating Loss Was Reduced from $634,780 in '32 to $431,376 in '33

From Our Own Correspondent

MONTREAL. — Canadian Airways financial statement for 1933 showed a smaller operating loss than was the case in 1932.

In his report to the shareholders, James A. Richardson, president, pointed out that mail line mileage flown in 1933 was 43 per cent less than in 1932; other mileage was up 3 per cent. The volume of mail carried was up 10 per cent, while freight and express increased 35 per cent. The number of passengers carried on mail lines showed an increase of 4 per cent, while other lines reported a gain of 97 per cent. The total revenue on mail lines was down 45 per cent, while other lines reported a decrease of 10 per cent. The cost of administration declined 35 per cent during the past year.

Reduction of Loss

The profit and loss statement, copy of which follows, shows an operating revenue in 1933 of $615,466. This compares with $676,880 in 1932. After providing for all charges, there was a net loss last year of $431,376 compared with $634,780 in the previous year.

	1933 $	1932 $
Operating revenue ..	615,466	676,880
Operating, selling, administrative & general exps., excluding depreciation	841,784	987,111
Operating loss, excluding depreciation ..	226,318	310,230
Depreciation	208,779	341,023
Operating loss	435,097	651,253
Int. & disc. earned (net)	3,721	16,473
Net loss	431,376	634,780
DEFICIT		
Balance, January 1 ..	967,315	332,535
Add: Net loss	431,376	634,780
Balance, December 31	1,398,691	967,315

Cut in Bank Loan

Canadian Airways' balance sheet at the end of 1933 showed assets totalling $2,050,553, compared with $2,666,651 at the end of 1932. Current liabilities show a sharp reduction, due to a reduction in the bank loan from $200,000 to $30,000.

In addition the company wrote off a mortgage payable from $70,000 to $55,000. The insurance reserve was increased during the year from $89,696 to $113,012.

No change has taken place in the outstanding capital stock, which amounted to 129,753 shares of no par value.

Hold Fewer Bonds

The principal change among the assets is the liquidation of a large block of Dominion of Canada bonds. The company reported, in the 1932 report, holding $628,209 of Dominion bonds. At the end of 1933 these holdings had declined to $150,000.

The aircraft account, after taking into consideration the depreciation reserve, now stands on the books at $328,031, as against $353,132 in 1932.

Property account, less depreciation reserve at $118,041, stands on the books at $321,697. This compares with $346,067 after depreciation reserve of $88,751, in 1932.

The insurance fund investment of $88,235 Dominion of Canada bonds, shown in the 1932 report, has been eliminated.

Other items in the balance sheet do not show any particular change from those reported in 1932.

Better Returns This Year

At the annual meeting of the shareholders, Mr. Richardson pointed out that Canadian Airways' carryings during last March amounted to approximately 880,000 pounds. This was almost one third of the total of carryings for the whole of last year, viz., 2,850,853 pounds.

The board of directors was re-elected without change.

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Principal and interest payable in Canada, London, and New York.
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Price: . . . *To yield about 5.18%*
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Ont. Payrolls Down 14% in Past Year

Ontario payrolls in 1933 were reduced by 14 per cent from the previous year, according to firms reporting to the Ontario Workmen's Compensation Board. Wages totalled $264,273,000 as compared with $331,582,000 in 1932. The 1932 total was 19 per cent less than in 1931.

Mining was the only group to report any substantial increase while the chief reduction took place in construction. In the latter class, payrolls declined from $21,757,000 to $11,130,000 in 1933. Total number of employees in the lumber industry showed a considerable reduction but payrolls increased slightly from $3,890,000 to $3,950,000.

NATIONAL SYSTEM REGISTERS PROFIT IN FIRST QUARTER

Railway Operating Conditions on More Favorable Scale in 1934

From Our Own Correspondent

MONTREAL.—Railway operating conditions in Canada this year are appreciably better than those reported for 1933, judging by the financial returns reported by the Canadian National Railway System.

Last month the system had an operating revenue of $14,278,648, an increase of $2,879,433 over the same month a year ago. Operating expenses advanced to $1,025,167, leaving net revenue at $1,598,959. This compares with only $255,307 for March, 1933.

Show Operating Surplus

During the first quarter of the current year, Canadian National Railway Systems had an operating revenue of $37,366,442. This represents an increase of $6,788,415, or approximately 20 per cent, over that for the first three months of 1933.

Operating expenses at $37,301,439 for the first quarter of 1934, were up $2,700,169 over last year, leaving a net operating revenue of $65,003. While this is a comparatively small profit, it is substantially better than in the first quarter of 1933, when the system had an operating deficit of $4,023,243. Thus for the first three months of this year there was an improvement in net revenue of $4,088,246.

INTER. UTILITIES INCOME $688,855

Did Not Include Net Losses on Investments of $1,744,716

International Utilities Corp. and subsidiaries report for year ended December 31, 1933, net income of $688,885 after income taxes, amortization, depreciation, depletion, interest, preferred dividends of subsidiaries, minority interest, etc., but exclusive of net losses on sales of investment securities amounting to $1,744,716 charged to reserves for depreciation thereof which had been provided in prior years in the amount of $1,904,982.

Net profit in 1932 had been $396,759 before dividends, and this did not include net losses on investments of $3,821,350 in 1932 and $5,439,122 in 1931.

Above report includes operations of subsidiaries which were formerly controlled by General Water Works & Electric Corp., only for period from effective date of acquisition of control thereof by General Water Gas & Electric Co. on June 1, 1933, and operations of Dominion Gas & Electric Co. and subsidiaries from effective date of acquisition of control thereof on August 1, 1933.

Capital stock consists of 20,603 shares of $7 prior preferred, 108,837 shares of $3.50 prior preferred, 94,708 shares of $1.75 preferred, 124,062 shares of Class A stock, all of no-par value and 1,229,890 shares of Class B stock of $1 par value.

Power Corp. Group Output Shows Gain

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada group of utility companies report a substantial increase in electrical energy output during March as compared with the same month a year ago. Output amounted to 160,589,734 kw.h., compared with 145,390,441 kw.h. in March, 1933, an increase of 15,199,293 kw.h., or 10½ per cent. The March totals for Southern Canada Power and Canada Northern Power constituted a record for these companies.

Comparative figures are as follows:

March	1934	1933
Southern Canada .	19,299,230	14,881,240
Canada Northern .	43,100,359	39,495,280
East Kootenay ...	5,922,256	5,919,392
B. C. Power	38,592,009	39,261,439
Northern B.C.	936,280	963,890
Winnipeg Electric .	16,850,400	17,090,700
Manitoba Power ..	35,646,000	27,500,000
Northwestern Power	243,200	278,500
	160,589,734	145,390,441

SASKATCHEWAN FARM LOAN LOSS NOW $4,000,000

May Be $8,000,000 When Provincial Board Wound Up

From Our Own Correspondent

REGINA.—Saskatchewan's farm loan board, in operation since 1918 and capitalized at the end of 1933 with more than $17,000,000 from the provincial treasury, has already suffered an actual loss of approximately $4,000,000 which will more than likely be doubled before it gets itself out of the financial mire in which it finds itself.

Actual losses include $2,526,739 wiped off in 1929 following the Weston enquiry into the board's operations; more than $100,000 in uncollectible inspection fees and a loss of at least $800,000 through a reduction in the interest rate from 6½ per cent to five per cent from Nov. 1, 1931, to Oct. 31, 1935.

Farmers are almost $3,000,000 behind on interest collections. At the end of 1934 another $1,000,000 arrears can be added. The amount of principal unpaid, although not stated and difficult to obtain, is known to be as heavy in proportion to the cumulative interest arrears during the last four years.

There is also the possibility of serious losses under proposed federal debt legislation which if passed according to advance notices might give farmers power to settle at so much on the dollar via bankruptcy proceedings or by compromise. If this does occur the board stands to lose a considerable amount of its capital.

Started Modestly

In 1918 the board started out in a modest manner but two or three years later loans increased tremendously and then the board apparently decided it was spending too rapidly so curtailed its operations. For several years it operated on an approximate $500,000 appropriation and succeeded in paying its way without aid of the treasury. Since 1917, the total of loans has increased steadily and unpaid interest has jumped since the depression started, as is shown in the table below which shows cumulative totals, year by year.

Security for Loans

The board now holds, against the $17,103,895 in loans, first mortgages valued at $12,171,581 also $1,707,564 in foreclosed lands.

Under the act which set up the board loans are made at 6½ per cent over a 30-year period. Its total capitalization was to be not more than $15,000,000. No loan was to exceed 50 per cent of the board's valuation of the property but in many cases, it is said, the board's valuation was higher than what a private company would have put on the land.

Not only have loans in excess of land valuation been made but heavy loans have been made on land which private companies would not touch, particularly in the dried-out districts where heavy abandonments have occurred. Resale of these lands will not fetch half the amount of the valuation put on them by the board.

Sold Out to Board

In some cases a farmer has to all intent and purpose "sold out" to the board on receipt of his loan. In one specific instance a loan of $17,000 was made. The board's report for 1933 reveals that at foreclosure the amount owing was $24,573 and only $406 had been repaid. Two other loans for $10,000 netted the board $585 and $1,985 with debt on the date of foreclosure being $13,718 and $11,711 respectively. These three loans were among the 156 foreclosed during 1933. Of the 156 foreclosures 23 had paid nothing at all to the board and only seven had pair more than $1,000.

For 1934 and 1935 the board's operations may be confined to that of a collection agency as the treasury has not advanced further capital for this year and may not for next year. Cessation of heavy lending occurred in 1932 when only one loan was made. In 1933 there were 10 and the total amount lent was just short of $15,000.

Yearly Position Saskatchewan Farm Loan Board

Year	Loans No.	* Total Loans $	Interest Unpaid $	Interest Paid $	Capital Repaid $	Interest Capita Repaid $
1917	122	211,567	......	......	......	......
1918	1,015	1,758,365	10,444	42,010	......	......
1919	2,039	3,759,146	68,344	138,160	98,937	46,588
1920	3,031	6,132,103	190,622	303,785	295,857	146,587
1921	3,693	8,232,582	404,227	537,880	483,161	411,782
1922	3,794	8,593,702	562,968	914,499	982,493	827,234
1923	3,908	9,064,242	656,605	1,397,311	1,308,340	1,360,505
1924	3,980	9,346,242	670,200	1,948,799	1,649,469	1,906,270
1925	4,017	9,532,826	510,459	2,678,201	2,158,465	2,547,964
1926	4,067	9,769,059	422,610	3,302,593	2,670,286	2,959,419
1927	4,166	10,197,362	474,437	3,825,325	3,291,503	3,445,196
1928	4,488	11,144,895	467,124	4,400,273	3,854,240	3,876,317
1929	5,132	12,894,846	585,002	4,924,593	4,277,881	4,352,449
1930	5,672	14,455,296	1,029,805	5,196,804	4,460,912	4,629,352
1931	6,587	17,088,646	1,699,982	5,402,991	4,582,481	4,840,555
1932	6,588	17,089,051	2,264,738	5,615,778	4,656,409	5,250,458
1933	6,598	17,103,895	2,918,022	6,130,664	4,685,086	5,708,201

Jamaica Public Service Earnings Ahead in March

From Our Own Correspondent

MONTREAL.—Jamaica Public Service and subsidiary companies report gross earnings last March of $69,007. This compares with $65,657 for the same month a year ago. Net earnings in March this year amounted to $28,163 and the surplus after charges $18,988. For the same month last year, net earnings totalled $23,675 and the surplus $14,384.

Cumulative returns for the twelve months ended March 31, 1934, show gross earnings at $807,088; net earnings $327,584; and surplus after charges $213,897. For the preceding twelve months the consolidated report indicates gross earnings of $784,564, net earnings $321,749 and surplus $210,085.

Northern Quebec Power Secures Mine Contract

From Our Own Correspondent

MONTREAL. — Northern Quebec Power Co., a subsidiary of Canada Northern Power Corp., has secured a contract from the Thompson-Cadillac Gold Mines, located in Cadillac Township. Northern Quebec Power is building a transmission line through this territory and power will be made available shortly to the mine.

This contract marks the fourth to be secured recently by Northern Quebec Power, the other three being the Cadillac O'Brien Mine, Greene Stabell and Lamaque. All contracts are on the life-of-mine basis and in the aggregate will mean a substantial load for the power company.

Western Horses for N. S.

This spring, 15 carloads of Western Canada horses have been brought into Dominion Atlantic Railway territory in Nova Scotia—ten carloads having been sold in King's County. The selling prices varied, ranging up to $200 each, with an average of $160.

Urges Study and Action To Solve Relief Problem

Dr. H. L. Brittain, of Citizens Research Institute, Warns That Permanent Doles May Bring Vicious and Demoralizing Effects

Study of the relief situation in Canadian municipalities, and search for a permanent solution on a national scale, is urged by Dr. Horace L. Brittain, of the Citizens Research Institute of Canada in a special study of the subject issued recently. If no action is taken, a vicious and demoralizing system of municipal and government doles may become chronic, Dr. Brittain warns.

He asks whether, as signs of increasing employment become evident, we should not begin to revert to the pre-depression basis of relief; and set our house in order so that if and when the next depression comes upon us, we may be prepared to meet it effectively and without unnecessary human or financial waste?

Indicative of the vastness of the problem, the study shows that 101,563 families (not individuals) were on direct relief in December, 1933, in seven Canadian cities with population of over 100,000. The figure for Canada as a whole would be much larger.

Dr. Brittain says, in part:

Two Types of Relief

"There are two kinds of relief — chronic and acute. The former we have always with us because in every community there are incompetent, subnormal, unemployable and otherwise unfortunate people who are not self-sustaining and would not be under any organization of society. They must be carried by society with understanding and sympathy. They are the proper care of a permanent local organization, financed from local funds. Those who are chronic relief cases must continue to be wards of the community which must be responsible to see that their wards are adequately clothed and housed and properly fed. So far as supplies are concerned, a depot system seems best adapted to this purpose.

"Acute relief, which we have had for some years and still have in the form of unemployment relief, is not due to any fault of the individual but to maladjustments or breakdowns in the national or international economic organization. It cannot adequately be treated by any mere palliatives, as these tend to convert unemployed into unemployable and acute relief cases into chronic relief cases. If we are not to see and acquiesce in the complete collapse — moral, financial and industrial — of our social-economic structure, a permanent policy province-wide and national in scope must be worked out which will either (1) prevent the recurrence of peaks of unemployment by the accumulation of governmental work reserves and other similar methods or (2) prevent the necessity of municipal emergency employment relief by the establishment of a provincial--national contributory fund upon which unemployed workers may draw as a right according to well-established principles of administration, and by the setting up of a provincial-national organization to administer any residuum of unavoidable unemployment relief from provincial-national funds, such organization setting up local committees with all the necessary local information. Acute unemployment relief, as distinct from ordinary routine relief, cannot be looked upon in any degree as a condition for which municipal authorities are morally responsible, or to meet which they are the logical administrators. To try to treat the two kinds of relief in the same way or by the same or similar organizations is foredoomed to failure.

Time for Action

"At the present juncture, when business and industry are on the upturn, is it not the logical time to begin to separate the two types o administration, leaving chronic relie administered under the depot syster to local authorities and putting u employment administration under national - provincial administratic with adequately supported 'insu ance' funds drawn from governme (taxpayers), industry and labor, with accumulated emergency wo and relief funds, or with both.

Answers to Queries

"On January 9th, 1934, the Bure asked cities of over 100,000 popul tion and a number of suburban mu cipalities in the vicinity of the fo largest cities, for information as the number of families on unemplo ment relief by months during 1932 and 1933 and as to the cost of relief and methods of financing the cost. The Bureau received returns from all the cities of over 100,000 population written to, and from 15 suburban municipalities.

"Returns from the 22 municipalities which answered the questionnaire . . . indicate that, in 1932, 11 municipalities used the various forms of 'closed' voucher, varying between those which named the amounts of each commodity which might be supplied and those which simply supplied authorized lists from which supplies might be chosen in any proportion up to the face value of the voucher. In 1933, twelve used 'closed' vouchers. In both years six municipalities used 'open' vouchers. Of the 22 municipalities, two are now on the 'cash' system. In several municipalities under boards of supervisors, the whole of net unemployment relief was assumed by provincial authorities. It is to be presumed that, if the existing relief situation continues, and as the facts become more widely known, more municipalities will take this apparently easy road to tax relief. It is a nice question how far this tendency can go, before the taxpayers of the still solvent municipalities will quit the unequal contest and their municipalities follow the others under the sheltering tent. When all get under, then what?

"Of the 22 municipalities one got no government aid, issued no unemployment relief debentures and paid the total net cost of unemployment relief out of taxes. On enquiry the Bureau was informed that the provincial authorities concerned gave no assistance to municipalities which balanced their budgets and therefore needed no help. Certainly, 'virtue is its own reward.'

Issue of Relief Debentures

"In 1932, nine, and in 1933, 11 municipalities, received aid from private sources toward carrying the cost of unemployment relief. In 1932, 12 municipalities paid all net costs out of taxes and one raised the amount from private sources. In 1932, one paid the total net out of the proceeds of debenture issues, in 1933, four. It is to be noted that in both years Ottawa and Vancouver paid their total net unemployment relief costs out of taxes and issued no debentures therefor. Toronto has funded or will fund the total net amount of unemployment relief, not including costs of servicing and items on which the government pay no percentage, to the amount of $2,143,071, of which $1,600,000 has been sold to the sinking fund at par."

Dosco Makes Preparations Start Blast Furnace Unit

From Our Own Correspondent

MONTREAL.—Dominion Steel and Coal Corp. will resume blast furnace operations on May 8. Workers are now getting the furnace in readiness and manufacture of steel will likely get under way before the middle of the month.

The blast furnace department has been idle for three months owing to lack of stock. The recent receipt of a cargo of manganese ore from Bell Isle has provided the company with plenty of raw material to resume operations.

Hamilton Bridge Co. Elect 1934 Executive

From Our Own Correspondent

MONTREAL.—James Playfair has been elected chairman of the board of directors of the Hamilton Bridge Co. at the annual meeting. Other directors elected were: W. B. Champ, Hamilton; V. M. Drury and F. M. Ross, of Montreal; James A. Richardson, Winnipeg; Hon. S. C. Newburn, Major W. I. S. Hendrie, T. K. Palmer and W. E. Phin, all of Hamilton; and F. G. Wilson, Saint John, N.B.

W. B. Champ was elected president and managing director; F. M. Ross, vice-president; F. G. Wilson, secretary, and F. J. Williams, treasurer.

Montreal Tramways Meeting is Routine

From Our Own Correspondent

MONTREAL.—Annual meeting of Montreal Tramways Co. was a routine affair, the reports being adopted and the board of directors re-elected with one change. B. Outerbridge, representing Montreal Power, replaces the Hon. Lorne C. Webster on the board.

Halifax Tonnage Breaks Records

All monthly records for cargo tonnage handled inward and outward through the Port of Halifax were broken in March, according to the latest reports of the Harbor Commissioners. The total of 288,709 tons is 35 per cent greater than the former record, that of December last. During the month, 457 vessels entered and cleared, compared with 398 vessels in March, 1933, and 369 vessels in March, 1932. Net registered tonnage is reported at 1,304,992 for th emonth.

Ontario Banner Mining Province

Nearly half of the mineral production of Canada came from Ontario last year, or 49.81 per cent in exact figures. The value of this output was $109,821,565. This figure represented a large increase over that of 1932 when the value of production was $85,910,030.

Canada —
First Year of Recovery
In our May Review and Bond List is outlined the record of economic recovery in Canada during the fiscal year just ended, as presented in the budget speech of the Minister of Finance. Comments on developments abroad affecting the financial outlook are also made in this review.
Canadian Government, Municipal and Corporation Bonds to-day present investment opportunities suitable for every investor. Diversified list of such securities appears in our May Review and Bond List.
Copy of May Review and Bond List will be gladly furnished upon request.
Wood, Gundy & Company Limited
36 King St. West, Toronto — Tel. Elgin 4321
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

MILNER, ROSS & CO.
Members Toronto Stock Exchange
350 Bay Street • Toronto
Telephone Waverley 1701
BONDS STOCKS

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Moose Jaw Has World Flour Trade

According to a report of the Moose Jaw Board of Trade, flour ground from Canadian wheat was exported in 1933 to 79 countries—5,570,424 barrels, valued at $19,016,758, compared with the previous year's shipments of 5,131,781 barrels at $17,182,775.

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● Smooth your path at home as well as on your travels — by telephone. Long Distance is a business ally: a social asset: quick, clear, dependable, inexpensive. Rates are listed in the front of your directory. You can telephone 100 miles for as little as 30c.

News of Investment Markets

BOND MARKETS REMAIN STEADY AT GOOD PRICES

Prince Edward Island Borrows at Only 4.07 Per Cent

Canadian bond markets were firm but relatively inactive in the week ended May 1. The market for gilt-edged issues has levelled off near the best prices for the year, and has shown no signs of any substantial recession.

Best recent indication of the firmness in the gilt-edged market was the sale early this week of $300,000 of Prince Edward Island 10-year 4's at 99.32, a cost basis of about 4.07 per cent. This compares favorably with Quebec's recent record borrowing at 4.04 per cent. Despite a six per cent coupon rate, Orillia, Ont., paid on'y 4.86 per cent for a $50,000 loan, sold at 107.08.

The steadiness of prices at high levels is indicated by the low average yield, as follows:

Average Yield on Seven High-grade Canadian Bonds

	%		%
May 1	4.033	Apr. 25	4.083
Apr. 30	4.033	Apr. 24	4.034
Apr. 28	4.033	Apr. 16	4.041
Apr. 27	4.033	Mar. 29	4.094
Apr. 26	4.036	Feb. 28	4.270

Corporations and Westerns

In the week, corporation bonds were inclined to yield slightly. Losses were confined to fractions, however. Canadian Vickers 6's of 1947 gained another three points to 66. Gains of a point were recorded by Gypsum, Lime 5½'s of 1948 and Howard Smith 5½'s of 1953 at 77¼ and 94¼ respectively. Shawinigan 4½'s of 1970 gained 1¼ points at 91¾ bid. Other utility issues were slightly easier.

Western provincial bonds were uniformly firm. Gains up to three-quarters of a point were recorded by B. C., Manitoba and Alberta loans. Saskatchewan issues merely held steady.

Bond Sales

Dorval

Dorval, Que., has sold $65,000 of 5½ per cent, 10-year debentures to L. G. Beaubien & Co. at 98.15, a cost basis of about 5.75 per cent. Bids:

	Bids
L. G. Beaubien & Co.	98.15
Wood, Gundy & Co.	97.56
Dominion Securities Corp.	96.08

Orillia

Town of Orillia, Ont., has sold $50,000 of 15-year, six per cent serial debentures to Royal Securities Corp. at 107.08, a cost basis to the town of about 4.97 per cent. Bids were:

	Bids
Royal Securities Corp.	107.08
McLeod, Young, Weir & Co.	106.19
W. C. Pitfield & Co., Aird McLeod & Co.	106.17
R. A. Daly & Co.	106.045
Dyment, Anderson & Co.	105.92
Gairdner & Co.	105.687
A. E. Ames & Co.	105.23
Williams, Partridge & Co.	104.60
Griffis, Fairclough & N.	104.50
Lamont & Co.	104.008
Bell, Gouinlock & Co.	103.40
Dominion Securities Corp.	103.00
C. H. Burgess & Co.	101.84

Prince Edward Island

Province of Prince Edward Island has sold $300,000 of 10-year, four per cent bonds to Hanson Bros. at 99.32, a cost basis to the province of about 4.07 per cent. Bids were invited on both 10 and 20-year bonds, and the former found most favor with dealers. Bidding was keen, as shown below:

	Bids 10-year bonds	20-year bonds
Hanson Bros.	99.32	....
Bell, Gouinlock & Co.	99.30	....
A. E. Ames & Co., Wood, Gundy & Co., Dominion Securities	99.139	97.339
J. L. Graham & Co.	99.113	....
Mead & Co., Nesbitt, Thomson & Co.	99.08	....
Griffis, Fair. & N., Dyment, Anderson & Co., Cochran, Murray & Co.	98.80	....
Gairdner & Co.	98.59	97.19
Bank of N.S., Matthews & Co., R. A. Daly & Co.	98.59	....

Bond Tenders

6 p.m., May 7, Saint Colomb de Sillery—$76,800 bonds, dated June 1, 1934, redeemable serially from June 1, 1934, to June 1, 1964, at 5 and 5½ per cent interest redeemable in 10 years. Bids for 5 and 5½ per cent in 10 years and 30 years separate. Roger Gagnon, sec.-treas.

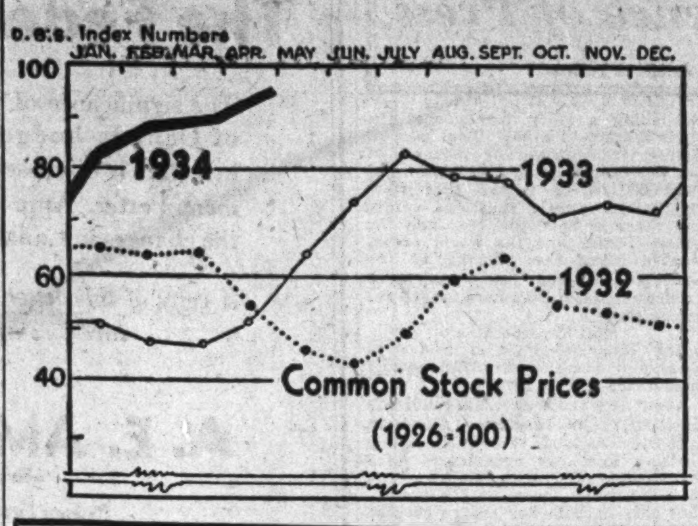
Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Wabasso Cotton	*6%	1947	June 1	105
Can. For. Inv.†	7%	1949	June 1	105

*$10,000.
†$233,000.

Salt Output is 10,072 Tons

Canada produced 10,072 tons of commercial salt in February as compared with 10,503 tons in January. Production for the first two months of 1924 amounted to 7.7 per cent above the total for the corresponding period last year.



Investment Notes

Significant Investors' Index Numbers

1926 = 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	58.5	83.8
February	114.6	13.6	77.1	153.7	73.8	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
Weekly Figures, 1934:										
Apr. 5	110.8	11.1	76.4	156.3	74.5	133.2	166.7	133.1	58.6	96.7
Apr. 12	113.9	11.5	76.4	155.2	74.0	137.6	165.4	133.3	58.7	97.2
Apr. 19	114.2	12.2	75.6	162.4	75.1	141.4	164.2	135.0	58.2	98.7
Apr. 26	114.8	13.4	71.0	161.6	76.5	142.4	158.4	135.4	58.5	99.0

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Toronto Stock Exchange Index

	20 Indus.	20 Golds.	20 Misc. Mines
May 1 close	111.55	119.03	100.2
Apr. 30 close	111.39	121.26	102.4
Week ago	113.08	127.71	107.0
Month ago	110.55	135.73	109.4

Associated Breweries Aided

IT IS probable that Associated Breweries of Canada and other Alberta brewing companies will be helped by the amendment to the Alberta Liquor Act, which provides for the sale of bottled beer to be taken off the premises by hotels. The Liquor Act amendments also extend the Saturday night beer parlor closing time from 9 p.m. to 10 p.m. and give the liquor vendors power to extend the liquor store closing hours beyond 8 p.m.

With these extended hours in Alberta, the securing of entree on a larger scale to British Columbia, and expansion in Montana and Washington the company's affairs are being watched with interest by shareholders and many investors.

Paying 50c. For Sockeye

DURING the season of 1933 salmon packers, such as British Columbia Packers, were obliged to pay 50 cents per fish for sockeye salmon from the Central and Northern districts of British Columbia. It was stated at that time that the higher price prevented the company making a profit on this business. Sockeye fishing was somewhat restricted last year, but this year the companies are reported to have started the season by offering 50 cents a fish for sockeye. It is probable that this year all its sales will be on the basis of the new costs.

Consumers' Gas Sales Gain

THE Consumers' Gas Co., of Toronto increased gas sales in April for the fourth consecutive month, the total of gains now being enough to offset decreases in consumption in October, November and December, 1933, the first quarter of the company's year.

April appliance sales were 60 per cent more than in April, 1933, both in number and money value. Sales of gas hot-water heaters were especially lively.

Some factories are using 50 per cent more gas than a year ago. Consumption in commercial establishments other than restaurants also has gained. Domestic consumption is the same.

Consumers' Gas, in its fiscal year ended September 30, 1933, had a decline in volume of 5.84 per cent from the peak year. That was its first drop in volume, though the first decline in earnings was in 1932, due to a reduction in rates that year and increasing taxes.

C. I. L. Shares Listed

THE managing committee of the Toronto Stock Exchange announces the granting of an application for listing an additional 784 voting and one B non-voting common without par value of Canadian Industrial Alcohol Co. Ltd.

Dominion Stores Unit Sales Gain

IN REPORTING sales for the four weeks ended April 21, 1934, of $1,505,736, as compared with sales for the corresponding period in 1933 of $1,505,418, Dominion Stores is showing a better gain than these figures alone would indicate.

Nineteen stores less were operated this period than in the same period last year. The unit sales are therefore up more than the total gain would indicate.

Easy Washing Shares Listed

THE managing committee of the Toronto Stock Exchange posted for trading on the industrial section on April 27, 1934, 27,589 shares without par value of the Easy Washing Machine Co., Ltd., which has taken over the business and assets of Easy Washing Machine Co., Ltd. The common shares in the old company are exchangeable on a 5 for 1 basis for stock in the new company. Charter of the old company will be surrendered, and the old stock has been removed from the trading list.

Easy Washing Machine Co., Ltd., was incorporated under the Ontario Companies Act on Feb. 9, 1934. Authorized capital is 45,000 common shares without par value and 8,000 preferred shares of $10 par value each. Issued capital is 27,589 shares of common and 7,950 shares of preferred. Transfer agents are the Toronto General Trust Corporation.

Thayers Dividend Rumored

THAYERS LTD. reports sales of gasoline and lubricants in Southwestern Ontario in the first quarter of 1934 as higher than for the same period of 1933. Lower prices were in effect during this period, however, and this may reduce profits to some extent.

On January 2, 1934, the company made an interim payment of 25 cents a share on the common stock and there is talk of the company making another payment. The company reports that preferred dividends were earned 1.75 times after full provision for depreciation.

The company pays $3.50 a share semi-annually on the preferred stock. There are 50,454 no par value common shares outstanding.

United Steel Sales Gain

UNITED STEEL CORP. reports sales in the first quarter of 1934 by the Dodge Manufacturing Division to have reached already more than half the total sales made in 1932 and about 50 per cent of the total sales in 1933. At the end of March unfilled orders were at the highest point in any month since 1930. The company states that the volume of business is improving steadily. United Steel Corp. reports that in its various plants it now has complete facilities for handling all types of structural work, and a complete range of engineering lines for the mines, pulp and paper industry and industrial plants.

The offer to shareholders of Standard Steel Construction Company will remain open until May 15.

Approves New Partners

THE entry of J. C. McDowell and R. J. Cameron as partners in the firm of J. M. Scott, Jr., & Co., members of the Toronto Stock Exchange, has been approved by the management committee of the Toronto Stock Exchange.

EDMONTON DAIRY EARNINGS HOLDING

Slightly Down But Covers Dividend — Working Capital Strong

Edmonton City Dairies earnings and working capital, though lower, held up well in view of the stresses of 1933. Surplus was increased and ratio of current asets to current liabilities went up.

Consolidated Income and Surplus Account
Year Ended Dec. 31

	1933 $	1932 $
Net earnings	90,030	93,079
Less: Depreciation	24,000	24,000
Conting. reserve	6,000	......
Income tax	......	5,727
Net profit	60,030	63,352
Less appropriations:		
Pref. dividend	50,832	51,080
Surplus for year	9,198	12,272
Add: Previous surplus	122,481	†286,895
Com. stock and surplus	*131,679	299,167

* Surplus only.
† After reduction of $3,000 due to adjustment re-accrued Dairy Corp. dividends.

Working Capital

	1933 $	1932 $
Current assets	144,926	187,889
Current liabilities	35,600	64,600
Working capital	109,326	123,289
Ratio	4.07—1	2.75—1

DIVIDEND NOTICE
BONDED TRUST CERTIFICATES
The regular
MONTHLY DIVIDEND
of 1% was paid on May 1st, 1934, through the Imperial Trusts Company of Canada. Balance of earnings for the month was transferred to the Reserve Fund.

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Inquiries are invited for complete information regarding this attractive investment. Use the coupon, if convenient, or telephone for descriptive circular.

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May Dividend Payments Well Above 1933 Month

Interest Lower Than in May, 1933—Total May Dividends $4,793,184—More Extras Declared

Dividends to be paid in May by Canadian corporations will total $4,793,184, compared with $2,930,648 in the same month of 1933, according to The Financial Post's compilation. This increase in dividends, however, is offset by a decline in interest payments of nearly as large an amount, due chiefly to conversion loan operations of the Dominion Government.

Cheerful dividend news includes declaration of five cents a share extra by Hollinger Cons. and three cents extra by Buffalo Ankerite, among gold mines. Acme Gas and Oil is paying its initial dividend of two cents a share in May. Other encouraging payments will include $1.75 a share on National Grocers preferred on account of arrears, and 35 cents a share on Loew's London Theatres common, the first payment for these shares since Dec. 31, 1932.

Dividends payable in May, and bond interest due, are as follows:

Summary of Payments

Dividends	$ 4,793,184	$ 2,930,648
Bond interest	48,048,306	49,762,149
Total	$52,841,490	$52,692,797

Dividend Payments

Company	Rate	Date	Amount
Acme Gas	*2c	15	$ 40,254
Beatty Bros., pf.	1½q	1	16,179
Belding Corticelli, c.	1q	1	7,496
Blue Ribbon, pfd.	50cq	1	14,397
B. C. Telep'e, 2nd pf.	1.50q	1	67,500
Buffalo Ankerite (ext.)	3c	15	16,265
Calgary Power, pfd.	1½q	1	90,000
Can. Bronze	15cq	1	12,000
Do. pref.	1.75q	1	12,600
Can. Converters	50cq	15	8,667
Can. Dredge, pf.	1¾q	1	1,459
Canadian Oil, c.	12½cq	15	17,970
Champlain Oil, pfd.	15cq	15	75,000
Chase, A. W., pfd.	50cq	10	5,000
Dom. Bridge	50cq	15	256,875
Ford Motor	50c	28	829,480
Fuller (Can.) G. pf.	$1.50q	1	11,250
Guelph Carpet, pf.	1⅝q	1	11,931
Hollinger Mines	5+5c	21	492,000
Humberstone Shoe	50cq	1	10,000
Imperial Bank	$2.50q	1	175,000
Inter. Nickel, pf.	1¾q	1	483,486
Inter. Util., prior pf.	87½q	1	23,504
Do. pf. (1931)	43¾q	1	45,808
Langley's, pref.	1¾q	15	9,969
Loew's London, pf.	35cS	15	11,809
Mtge. Corp. of N.S.	1¾q	1	11,900
Nat. Grocers, pf.	†$1.75	1	51,681
Neon Prod. of W. Can., pfd.	75cq	1	4,311
Penmans	75cq	15	48,388
Do. pref.	$1.50q	1	16,125
Quebec Power	25cq	15	188,299
Royalite Oil	50c	31	250,000
Russell Motor, pref.	1q	1	12,000
St. Law. Flour	37½cq	1	4,500
Do. pref.	$1.75q	1	10,062
Sec. Std. Royalties pf.	1%	1	28,129
Shawinigan, W. & P.	12cq	15	261,390
Sherbrooke Trust	$1.50q	1	4,500
Simpson, R., pf.	$3s	1	100,500
South. Can. Pr., c.	20cq	15	80,000
Steel of Can.	30cq	1	138,000
Do. pref.	43¾cq	1	113,685
Teck-Hughes	15cq	1	721,071
Toburn Gold	2cq	22	37,000
Weston, prief.	$1.75q	1	15,750
			$4,793,184

q—Quarterly.
s—Semi-annually.
†—On account of arrears.
*—Initial.

BOND INTEREST DUE IN MAY

Company	Rate	Date	Due	Amount
Alexandra Apts.	6½	15	1940	9,587
Architects Bldg.	6	1	1945	21,000
Belding Corticelli	5	1	1936	2,036
Bell Tel. "C"	5	1	1960	187,500
Brant. Roofing "A"	6½	1	1950	19,012
Bruck Silk Mills	6½	1	1945	15,067
Canada Cement 'A'	5½	1	1947	502,232
Can. Nor. Pr. 'A'	5	1	1953	425,000
Can. Nor. West. Rly.	4½	1	1943	62,997
Can. Copper Ref.	6	1	1945	71,910
Connors Bros.	6½	1	1938	4,062
Consol. Apts.	6½	15	1951	7,897
Cosmos Imperial	6½	15	1944	25,987
Davies, Wm., "A"	6	1	1942	45,000
Dominion Park	7	1	1936	2,100
Dredging Contract	6½	1	1947	16,250
Duke Price Pr. 'A'	6	1	1966	1,073,730
East Can. Coastal St	6	15	1949	16,140
East. Dairies, 'A'	6	1	1949	90,000
Econ. Inv. Tr. 'A'	5	1	1957	24,062
Gen. St. Wares 'A'	6	1	1952	223,560
Granite Club	6½	1	1941	7,848
Gr. Lakes Power	6	1	Serial	50,340
Hinde & Dauch 'A'	5½	1	1948	34,238
Hydro-El. Bond 'A'	5	1	1957	72,075
Jones Bros. of Can.	6½	15	1946	8,378
Kingston Elevator	6	1	1950	42,615
London Realty	6½	1	1950	30,000
Mayor Bldg.	6½	1	1942	18,866
Do. gen. mtge.	7	1	1947	10,500
Mercury Mills 'A'	5½	1	1953	36,712
Montreal Cotton	5	1	1948	11,642
Mont. Is. Pr. 'A'	5½	1	1957	254,375
Nat. L. & Pr. 'A'	6	1	1949	60,000
Nor. Can. Pr.	6	1	1953	67,500
Nor. Ont. L & Pr A	6	1	1953	150,000
Paton Mfg.	6	1	1953	21,567
Penmans	5½	1	1951	50,393
Porto Rico Pr.	5	1	1936	41,762
Do., refund.	5	1	1962	24,332
Do., debs.	6	1	1950	30,000
Provincial Pap 'A'	5½	1	1947	107,298
Queen's Hotel	6	1	1947	30,000
Randolph Hotel	6½	1	1947	7,897
Shawinigan "B"	4½	1	1968	358,132
Sher. St. Realty	6½	1	1940	21,937
Traymore Coll. Tr.	7	1	1935	4,963
United Grain "B"	5½	1	1949	17,915
United Secs. "A"	5½	1	1952	91,478
Do., "B"	5½	1	1952	40,933
Van. Island Trans.	7	1	1943	15,687
Wabasso Cot.	7	1	1942	17,465
Corporation bonds				4,611,067
*Municipal bonds				7,476,635
Provincial bonds				6,592,659
Dominion bonds				29,367,945
Total				$48,048,306

Gypsum, Lime Sales Increase

From Our Own Correspondent

MONTREAL.—Gypsum, Lime and Alabastine Canada announces that for the first four months of the current fiscal year ended March 31, sales showed an improvement of more than 50 per cent over the corresponding period of last year.

April business to date is reported as being substantially in excess of last year, with particularly good export orders coming in.

The English plant, in which Gypsum, Lime and Alabastine and Honeywill and Stein, a subsidiary of Distillers Co., are interested, is expected to start operations on May 15 and because of continued building activity in England, is expected to contribute substantially to this year's profits.

Gypsum, Lime and Alabastine's bank loans are now substantially less than a year ago. As the company is now entering its most profitable period of operations, due to building activity, it is expected that the cash position will improve from now on.

CAN. DRY EARNS 50c IN 6 MONTHS ON COMMON STOCK

March Quarter Beats 1933 Period; Expanding Sales Plans

Canada Dry Ginger Ale, Inc., earned $103,022 in the quarter ended March 31, 1934, which compares with $86,388 in the same period of 1933. Earnings per share were 20.1 cents, compared with 16.9 cents in the 1933 period, and 30.5 cents in the quarter ended Dec. 31, 1933.

Earnings for the first six months of the fiscal year, which ends Sept. 30, were $259,496, or 50.6 cents a share, compared with $88,314 in the same period of the 1933 year. With the best six months of the year to go, the company has profits of well over half the 89 cents per share earned in 1933.

Comparative earnings are as follows:

Quarterly Earnings—3 Month Ended

	Mar. 31 1933 $	Mar. 31 1932 $
Gross profit	1,435,524	1,156,893
Less: Selling expenses	1,223,948	1,046,945
Operating profit	211,576	109,948
Add: Other income	33,465	29,247
Total net income	245,041	139,195
Less: Discts., etc.	79,765	14,763
Depreciation	48,447	27,198
Interest	3,962	1,601
Income taxes	9,845	9,245
Net profit	103,022	86,388
Earned per share	20.1c.	16.9c.

Marketing Policies

The carbonated beverage business has increased, but P. D. Saylor, president, states that part of the increase in earnings is due to new products handled since repeal of prohibition in the United States. The company plans to extend its marketing of Chelmsford flavors and Seely products to the American west and the Pacific Coast. Moreover two new products, Canada Dry's Lime Rickey and Cafay Dry, a carbonated coffee, will soon be offered to the public.

Mr. Saylor mentions chaotic conditions in the American alcoholic beverage trade, which, he says, have prevented full realization of the company's hopes from this line of business. It has, however, been profitable, and, he adds, should yield a gratifying return when the industry becomes more stabilized.

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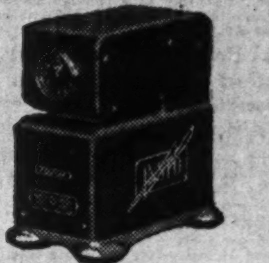

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G. G. Plaxton Retires As Traymore President

At the annual meeting of Traymore, Ltd., G. G. Plaxton, president, withdrew both as president and director because of the demands made upon him by other business interests. H. W. Stewart and J. A. Wilson also withdrew from the board. The new directors to replace them were Dr. R. G. Jackson, A. T. Manning and W. B. Puckett.

The new president has not yet been appointed, but the new board is meeting almost at once to elect a successor to Mr. Plaxton. Mr. Plaxton retains his interest in the company. It is understood that the bonds bought by Mr. Plaxton and Mr. Cousins were bought at a very low figure but that the company will buy them back shortly. The purchasers are not receiving interest on the par value of the bonds held but only on the actual cost of the bonds to themselves, and they will return bonds to company at cost.

It is stated that, though working capital was low on account of paying off bank loan partly from earnings, arrangements are being made to fix this and that present earnings are on a very encouraging scale.

Manitoba Power Co. Earnings Ahead in March

From Our Own Correspondent

MONTREAL.—Manitoba Power Co., a subsidiary of Winnipeg Electric Co., reports an increase in both gross and net operating earnings in March, 1934, compared with the same month a year ago. Gross income last month totalled $105,540; operating expenses $22,401; and net operating income $83,139. For the same month in 1933, gross earnings aggregated $103,629 and net income $80,137.

For the first quarter of 1934 Manitoba Power had a gross income of $316,813, as against $309,822 for the first three months of last year. Operating expenses were reduced from $68,271 to $65,479, leaving net earnings of $251,334, a gain of approximately $10,000 over the 1933 figures.

Holt, McMaster & Rankin Dissolve Partnership

From Our Own Correspondent

MONTREAL. — Official announcement has been made by W. R. G. Holt, D. S. McMaster and C. H. Rankin that their partnership was dissolved at the end of April. At the same time further statement is issued to the effect that W.G.R. Holt, C. H. Rankin and H. J. Child have formed a partnership, as at May 1, 1934, to take over the business of Holt, McMaster and Rankin. The new firm will operate under the name of Holt, Rankin and Child.

Canadian Car Reopen Amherst Rolling Mill

From Our Own Correspondent

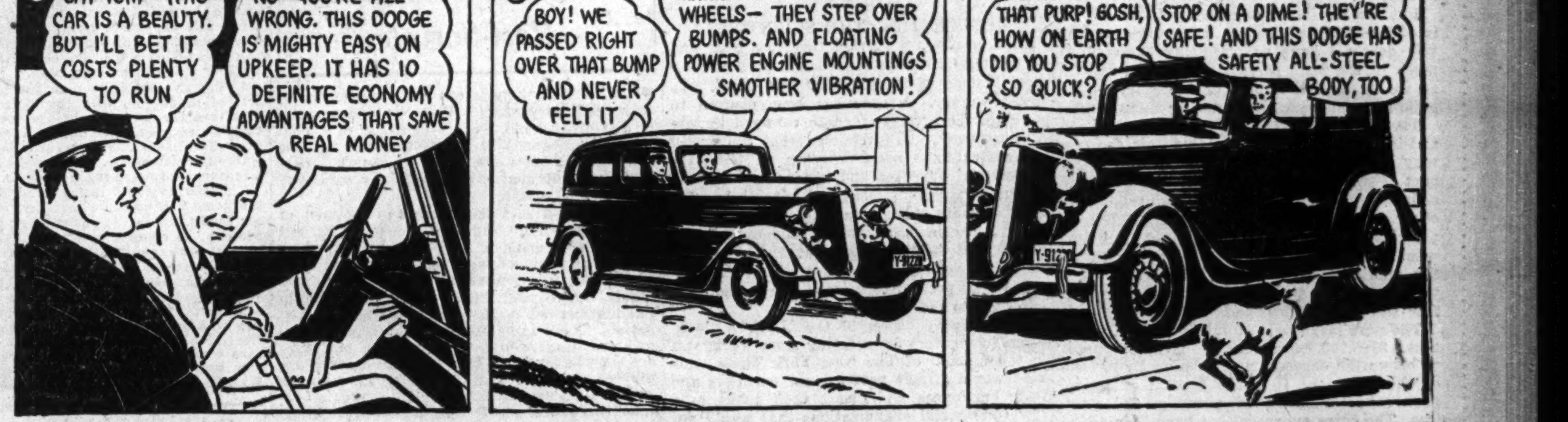
MONTREAL.—The rolling mill at the Canadian Car and Foundry Co., at Amherst, N.S., will be reopened at the beginning of next week. The number of men to be employed and length of time the plant will remain open will naturally depend on orders received.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Orillia	May 1	Royal Securities Corp.	6%	15-ins.	$50,000	107.08	4.97%
Dorval, P.Q.	Apr.	L. G. Beaubien & Co.	5½%	10-yr.	65,000	98.15	5.75%
Provincial							
Prince Edward Island	May 1	Hanson Bros.	4%	10-yr.	$300,000	99.32	4.07%

"Couldn't Believe Only a Few Extra Dollars Could Buy So Much More Car Until I Saw the New Dodge"
SAY THOUSANDS OF MOTORISTS EVERYWHERE . . . .


1
SAY TOM—THIS CAR IS A BEAUTY. BUT I'LL BET IT COSTS PLENTY TO RUN
NO—YOU'RE ALL WRONG. THIS DODGE IS MIGHTY EASY ON UPKEEP. IT HAS 10 DEFINITE ECONOMY ADVANTAGES THAT SAVE REAL MONEY
2
BOY! WE PASSED RIGHT OVER THAT BUMP AND NEVER FELT IT
THANKS TO FLOATING CUSHION WHEELS—THEY STEP OVER BUMPS. AND FLOATING POWER ENGINE MOUNTINGS SMOTHER VIBRATION!
3
LOOK OUT FOR THAT PURP! GOSH, HOW ON EARTH DID YOU STOP SO QUICK?
HYDRAULIC BRAKES—THEY STOP ON A DIME! THEY'RE SAFE! AND THIS DODGE HAS SAFETY ALL-STEEL BODY, TOO

4
TELL ME, TOM—IS THIS ENGINE REALLY GOING? I CAN'T HEAR IT—CAN'T FEEL IT—
I NEVER HAD SUCH A SMOOTH RIDE
THAT'S FLOATING POWER—IT SMOTHERS EVERY BIT OF ENGINE VIBRATION. YOU NEVER FEEL ANY JITTER OR JAR
5
WELL, THANKS—I'M CERTAINLY JEALOUS—I COULD NEVER AFFORD TO BUY A CAR AS GOOD AS THIS NEW DODGE
DON'T YOU KNOW THAT PAYMENTS ON THE DODGE 2-DOOR SEDAN ARE ONLY A LITTLE MORE A WEEK THAN IF I'D BOUGHT ONE OF THE LOWEST-PRICED CARS? GO TO ANY DODGE DEALER AND LET HIM TELL YOU ABOUT THE "SHOW DOWN" PLAN—YOU'LL SAVE REAL MONEY

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Business Manager—D. M. GOWDY

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TORONTO, MAY 5, 1934

PUBLIC BODIES SPEND ONE-THIRD OF YOUR INCOME

IN THE ten years between 1922 and 1932 expenditures of Canadian governments rose from $738,000,000 to $1,017,000,000. In these figures, compiled by the Citizens Research Institute, no allowance is made for so-called capital expenditures.

The net value of production—the national income—was $3,491,000,000 in 1932 and $3,375,000,000, according to the estimates of The Financial Post Business Year Book. Canadian governments then spend nearly one-third of the national income in addition to what they spent on capital account. It is charitable to the politicians to assume that their capital investments have a genuine value equivalent to the amount spent on them.

In the ten-year period, where did the increased expenditures go? Let us first take those items of expenditures that demanded and got in 1932 a materially larger percentage of the total than in 1922:

	Increase
Public welfare, charitable institutions, direct unemployment and farm relief, old age pensions, charitable grants, etc.	$100,500,000
Education	57,600,000

Then we may cite those expenditures which, while they show an increase, do not take a materially larger percentage of the total:

	Increase
Debt service (except education)	$57,600,000
Communication, including highways, bridges, airways, canals, post-office, but not railway deficits	29,300,000
Overhead activities	23,800,000
Protection of persons and property	22,200,000
Soldiers' pensions	8,300,000

There are many additional small classifications.

The figures point with emphasis to the essential elements in the problem of tax reduction. It is not in the ordinary running expenditures of government that extravagance and waste are rampant. We spend $74,000,000 a year on protection including national defence, police forces and fire departments, which probably is as low per capita as in any country in the world. We spend less than $16,000,000 a year on health and sanitation; less than $15,000,000 on all our agricultural services, despite duplication of activities; less than $15,000,000 on managing and conserving natural resources; less than $8,000,000 on recreation.

But the big items overshadow these. There is $309,000,000 a year on debt services. For this debt we have as offsetting "assets" as much in the form of capitalized past deficits as we have in the form of necessary public buildings and revenue-producing investments.

There is $154,000,000 a year for education and it will be observed that this item shows a very large increase in ten years. The major part of the increase can be traced to our more advanced position in regard to high school and other secondary education. We grant free or practically free higher education to all who want it. Can we afford it? Free education for public school children is desirable. But what return do we get for our investment in free secondary education?

The next large item is public welfare, which takes $126,000,000 a year. It is not accurate to blame the depression for the major portion of this increase. It is the product of active, positive socialization of governmental services. The extra expenses that have been added by the depression in the form of direct relief will, if our social-minded politicians have their way, be shifted to cover an enlargement of our permanent social services.

In 1922 only 3½ per cent of governmental money was spent on so-called public welfare. In 1932, 12½ per cent was so spent. It is simply redistribution of wealth by taxation and so long as the view prevails that this is essential social justice it is futile to expect any material cut in the $125,000,000 distribution, which is made to the under-privileged and the shiftless alike. But here millions a year could be saved if we combined common sense with sentimentality.

Our expenditures on overhead of government total $97,000,000 yearly. With 4,000 governing bodies this is probably as little as we can get by with. But what if there were a merger of the three maritime provinces, and of the three prairie provinces; what if we were to eliminate over-lapping in Dominion and provincial jurisdiction; what if we were to cut our legislatives and councils to smaller size; couldn't we then reduce this figure to half of its present size?

The first step in solving a problem is to understand it. This break-up of public expenditures in Canada does help us to see some of the things that must be done to reduce the cost of government in Canada.

HOT-HOUSE WHEAT IN FRANCE

THE policy that France is pursuing in cutting herself off from foreign supplies of cheap wheat reaches the peak of autarchic absurdity. Yet Canada must assume some of the blame for hot-house wheat growing under the tri-color. Our wheat pools, together with the Federal Farm Board in the United States, attempted to fix the world price for wheat higher than could possibly be justified. We had an opportunity to unload our surplus at fair rates and to slow down the rate of increase of our acreage to allow in some measure for the comeback of France and other countries whose normal production had been handicapped by the war. But feeling we had the world by the tail, we over-reached ourselves. France is today prepared to pay a heavy price to avoid falling into the clutches, as she puts it, of Canadian grain growers.

Wheat is important in France. Ten per cent of all the territory is occupied by wheat and one-quarter of the total cultivated area is sown to that product. The annual value of wheat produced in France is greater than the annual value of metallurgical products, coal, or motor cars. France considers its wheat farmers as among the most basic elements in its social life. Prosperity for the wheat growers is as much a part of the objective of the French as is self-sufficiency in food supplies.

In 1933, France fixed a minimum price of wheat equivalent to $2.15 at today's rates of exchange. But France's minimum price is already causing trouble. Production has been stimulated. Surpluses within the country have not been absorbed. It is estimated that by next July France will have between 100,000,000 and 150,000,000 bushels of wheat unsold from previous harvests in addition to a large surplus from the coming year's crop. It is practically out of the question to increase consumption and France has no chance of exporting wheat. French mills have refused to pay farmers the set price and grain is being bootlegged at from 30 to 40 per cent below the legal minimum price. Normal marketing channels have been disrupted and many farmers are unable to sell their crops. Their position despite the guaranteed high price, is likely to become tragic.

Already French financial newspapers are discussing whether France should choose freedom of production and exchange or some sort of regulation of production.

Whenever governments attempt to legislate any group in the state into a condition of prosperity, trouble usually arises. France's wheat scheme is proving to be no exception.

CONSTRUCTION RECOVERY WILL COME NORMALLY

CANADA'S construction industry, which has experienced a decrease of approximately 90 per cent in production and employment during the last three years, is anxiously following the recent American policy of concentrating recovery plans on the durable goods industry with the hope that the Dominion will follow the example of her neighbor. At a combined meeting of economists and engineers held in Toronto recently consideration was given to a proposal for a stabilization plan for the Canadian construction industry with the feeling that a return to more normal conditions in this basic industry would exert a beneficial influence throughout the whole of Canadian business.

While not overlooking the necessity of reducing the violent fluctuations characteristic of this industry, considerable doubt was expressed as to whether or not government regulation by a Federal control board could be effectively enforced. Because of variable outside factors over which Canada has little or no control, such as the determination by international factors of the long-term interest rate and the price of wheat, the opinion was voiced that it would be extremely difficult, if not impossible, to achieve any degree of real control. The difficulty of creating a reserve in the public accounts to assist the construction industry in bad times and the fact that the proposed control authority would prove unconstitutional, were also considered as indicative of the impossibility of successfully establishing such a body in Canada.

While in no way minimizing the severe decline experienced in the building trades during the past few years, it is interesting to note that the newly-published figures of Gilbert E. Jackson, economist of the Bank of Nova Scotia, indicate that there has been an improvement in employment of 50 per cent in the durable goods industry since the record low of April, 1933. The actual increase shown by these figures, contrasted to the theoretical benefits of a proposed control board, would seem to indicate that the much required business needed by the Canadian construction industry may come more quickly as a result of the prominent place it holds in the Canadian business structure rather than via the bootstrap route of government assistance.

REGIMENTING THE SCIENTISTS

THE professors started the New Deal and perhaps it will be regarded as just retribution if some of them get hurt in N. R. A.'s latest vagary. A code has been drafted to regulate the affairs of those engaged in laboratory work. It is claimed that university professors have been carrying on tests for commercial purposes and, since they can use the university equipment and have the assistance of willing students who are anxious to learn, they have an unfair advantage over commercial laboratories. But the American Chemical Society does not consider that the code, in its present form, would be in the least adequate to meet the case.

The primary object of the N. R. A. is to promote recovery by creating more work, yet, in the opinion of The New York Times, this code would cripple professional scientists and their employees and divert their tasks to a few commercial organizations that would not greatly increase their staffs.

It is more than probable that were the code to go into effect, research would suffer a severe check since not only testing but "technical investigations or studies involving laboratory facilities" are involved. An attempt is made to distinguish between testing and research, but is this possible? Are not the two. so inextricably intertwined that any restraint applied to the one would undoubtedly have a similar effect on the other?

It would seem as though the code-makers are determined to leave no stone unturned in case there should be someone lurking in its shadow who has an advantage, however slight, over someone else.

GROWING OUR OWN

SOME figures that were placed on record in Hansard of the House of Commons the other day call attention to one of Canada's notable post-war economic achievements. In that brief period of time, we have become a net exporter of tobacco.

In the fiscal year to March 31, 1920, Canada imported 23,400,000 lbs. of tobacco and exported only 223,000 lbs. We sent more than $12,500,000 net out of the country to pay for tobacco. Canadian producers grew only about 50 per cent of the country's actual requirements.

But in the 1933 fiscal year we imported only. 9,600,000 lbs. of tobacco and exported 14,600,000 lbs., our net export being 5,000,000 lbs. The country's own tobacco requirements now approximate 40,000,000 lbs. per year as against approximately 25,000,000 lbs. per year in the immediate post-war period. In the 1920 year, we had a net unfavorable balance of trade of $12,500,000. In the 1933 fiscal year, we had a net favorable balance of $1,400,000.

The exports go almost entirely to the United Kingdom which grants Rhodesia and ourselves a very favorable preference over foreign grown tobacco.

The figures are for raw leaf tobacco. There is some smaller trade in finished tobacco products.

How necessary it is for Canada to build up new markets for new products such as tobacco, is shown by some other figures appearing in the same issue of Hansard which present a very sad contrast to our record in tobacco.

In the fiscal year to March 31, 1921, we exported to the United States 295,000 head of cattle. In the fiscal year to March 31, 1934, we exported 5,624 head of cattle.

No wonder Norfolk County, Kent County and Essex County farmers are moderately prosperous while the cattle men of the Prairies are in despair.

WE STILL HAVE LIBERTY

SIGNIFICANT changes of policy have been adopted in Soviet Russia. The system of equality of wages is to be abandoned in favor of one of paying the highest wages to superior workmen. And the competitive marketing of food supplies is to be restored as quickly as possible. Step by step Russia is abandoning the tenets of her earlier and purer Communism.

Yet at the recent meeting of the All-Union Congress at which these policies were outlined, another and much more significant step was taken. The fiction that Russia was governed by the people through hundreds of small governing units affiliated together was abandoned. The local cells of the Communist party are to be made subordinate to the central executive of the party. Thus something under 2,000,000 Communists will be the only persons politically recognized in a nation of 165,000,000 people. And the 2,000,000 Communists are to lose their political freedom to a small group of self-perpetuating dictators at Moscow. Of course, it has always been that way in Soviet Russia but now the de facto situation is to be made official.

Russians have simply substituted one political dictatorship for another. In England, the Socialists make no attempt to conceal the fact that they will abolish political liberty if and when they attain power. In Germany, the Nazis and in Italy, the Fascists have abolished political liberty. In Canada, the would-be reformers of our social and economic system would do the same thing if they had a chance.

Whatever is wrong with Canada, today we at least have personal liberty and Democratic government and it is the chief gift of the capitalistic system which the revolutionaries rail against.

EDITORIAL NOTES

It is surprising that politicians do not pass a law against newspaper editors recalling pre-election promises of politicians.

* * *

But Premier Pattulo does not want British Columbia to break away from Confederation until he has borrowed a few more millions from Ottawa.

* * *

The Brain Trusters are busy explaining that they are not as revolutionary as they look. Dr. Wirt may have been made to look foolish but he was the first man who was able to put the Brain Trust on the defensive.

* * *

When Yukon Gold Corporation's entire earnings come from its Malay tin mine it is not surprising that Adams Express Company isn't in the express business, or that Peerless Motor Car Corporation runs a brewery.

* * *

A booklet on the finances of the western province by a Toronto bond house is illustrated by a picture of the Parliament Buildings at Ottawa. Fortunately the booklet is able to show that there is other security behind the bonds of these provinces.

* * *

At the annual meeting of Amalgamated Anthracite Collieries in London the chairman hinted that the price of Welsh coal in Canada might be higher this year because of the rise in the pound sterling. But he also suggested that the Canadian people might not be unmindful of the large amount of additional cheap tonnage that is made available to Canadian grain exporters by the shipments of Welsh coal coming to Canada.

Post-Scripts

IN CANADA there is one male apprentice in the millinery trade. There is one woman, on the other hand, who is manager of a coal mine. We cannot give you the names. The simple facts are extracted from the 1931 census of the occupations of gainfully employed persons in Canada.

There are five women who are foremen of mines other than coal mines. There is one woman who owns a soft drink plant. Two women own or manage tobacco plants. One woman owns or manages a rubber products plant. There are three women butchers in Canada against 9,515 men in the same occupation. There is one woman who is a harness maker and one who is a lithographer but there are six who are wood carvers and nine who are process engravers. Six women own garages and two act as auctioneers. The census states that there are six female news boys which seems to be a contradiction in terms. There are five women magistrates and two women architects. And just to show how diversified are the occupations of the modern woman, there are five who are employed as stage hands.

Most of the stenographers are women. There are 65,000 females against 3,500 males in that profession. Waitresses numbering 12,800 are just ahead of waiters numbering 11,200.

There is no profession listed in the census in which men are not employed. But on the other hand there are scores of jobs to which women apparently have not aspired, including laborers in mines, brewers, tanners, boat builders, machinists, boiler makers, blacksmiths, brick molders, distillers, boiler firemen, deck hands, long shore men, locomotive engineers, street car conductors, carpenters, steamfitters, truck drivers, aviators, radio operators, pawn brokers, civil engineers, boot blacks and window cleaners.

Sayings of the Week

"Freedom of the press is abridged almost universally today."—*U. S. Secretary of State Cordell Hull.*

* * *

"If Democracy fails in Great Britain I see little hope of it surviving in this world."—*Sir Stafford Cripps.*

* * *

"I don't see why there is not more enthusiasm for planning except that there is nothing spectacular about it."—*President Roosevelt.*

* * *

"It is their sense of righteousness which has caused the New Dealers to resent criticism."—*Eugene F. Meyer, publisher, the Washington Post.*

* * *

"If it is the function of the brain to see that the left hand knows what the right hand is doing, then the Brains Trust has not been on the job."—*Walter Lippmann.*

* * *

"Farmers beyond all others had inherited from their forefathers, Adam, the nostalgia for a lost paradise, a golden age in some vague but half-remembered past."—*Robert B. Warren in Lloyds Bank Review.*

* * *

"Canada went off gold in good company in 1931 but until within the last few weeks she showed no signs of going off Democracy—despite illustrious examples."—*W. Sanford Evans, president Canadian Chamber of Commerce.*

Outstanding Illustration Of Influence of Press

An Editorial in Canadian Printer & Publisher

That a responsible and reliable publication may contain information having an effect far beyond that anticipated by the editor has frequently been demonstrated. A simple truth in a news story or apt comment in an editorial article may prove the beginning of a train of events of great public consequence.

If editors have any weakness, it is usually to under-estimate the power and influence they wield. Publishing the news and expressing the views of their paper are apt to become so much a routine matter that the possible reverberations from a single story are taken for granted or perhaps even ignored.

There was an article in The Financial Post in November, 1928, which seems still to echo around the world.

At that time stock markets were boiling with enthusiasm and securities had reached levels to stagger the imagination. It was the apex of the New Era.

How Article Was Written

A group of stock market operators in New York were running a pool in Canadian Marconi and got the stock up to $28 a share. The Financial Post interviewed Sir Joseph Flavelle, chairman of the board, and asked him frankly to state whether or not in his opinion he considered the price to which the pool had carried the stock was justified. Sir Joseph stated that in his opinion the stock was too high and that it would be too high if it were selling at $3 a share. The Financial Post supplemented his statement by figures indicating that the stock was selling at 2,800 times its annual earning power.

This article appeared in The Financial Post of November 30, 1928. It was immediately telegraphed to New York. The Dow-Jones ticker service picked it up and put it on its wires across the continent at 11.20 on the morning of publication.

On that morning, the stock market opened boisterously and with a further rapid ascent of prices. When The Post statement about the position of Canadian Marconi was put on the wire, the stock precipitately broke from $28 to $8 per share. A hurried meeting of the committee of the New York Curb Exchange suspended it from trading. The market was staggered. Nervous selling spread over the whole country. Within two days $9,000,000,000 was wiped off the quoted valuations of stocks listed on the two New York Exchanges. This was the first of the three great waves of selling which were necessary before the great bull market could be brought, nearly a year later, to a stop in its headlong devil-may-care advance.

Boasts of Achievement

The Dow-Jones ticker service was so proud of the manner in which it carried this news to the four corners of the United States that it published a full-page advertisement in the Wall Street Journal about the incident, headed "The Market Vibrates on Dow-Jones News." The Financial Post countered the following week with a large advertisement which reproduced the headlines from New York papers which copies The Post's story. The ad. claimed credit for The Post for publishing the continent's biggest financial scoop of 1928.

Perhaps some people will think there is nothing to boast about in publishing a story that causes the stock market to break. That was, of course, incidental. The purpose of The Post was to get out the truth. The $9,000,000,000 of values that were "lost" were purely fictitious values and there is no doubt that had the United States and the world of investors taken the warning of the Canadian Marconi episode, much grief would later have been spared the entire world.

Still Reverberates

The Financial Post continues to observe evidence of the influence and importance of this article.

About two years ago, Mary Roberts Rinehart, the famous American author, discussed in the Saturday Evening Post her experiences with investments and with stockbrokers. In this article, she made the remark that only once in her many years of reading of investment news did she ever recall an instance where the president of a company frankly warned the shareholders that there was no justification for the prices at which the shares were selling on the exchange. This was the Canadian Marconi case. She went on record as paying her tribute to Sir Joseph Flavelle.

The Financial Post article was featured in another series of articles in the Saturday Evening Post which appeared about a year ago under the title of "The Tale of a Bear." The author revealed how he had closed out all his securities early in 1928 feeling that the stock market had gone crazy. He took a trip around the world and landed in New York on November 30, 1928. He rushed to his brokerage office and got there just in time to see pandemonium break loose. Convinced that the long awaited collapse of the inflated values had come this man proceeded to sell the stock market short. Eventually, when the movement upward resumed its course with greater force, he closed out with a loss. In fact, his judgment was proved temporarily wrong on one other occasion before he finally took the last of his capital, sold short on the chief stocks and cashed in several millions of dollars during the great bear market.

End of Bull Market

The point where The Financial Post comes into his story is his statement that despite the temporary losses he suffered and despite the fact that stocks rose to new highs after December 1928, he has never lost his conviction that the end of the greatest bull markets in stocks in history came the day the Canadian Marconi article appeared. It was the first great and significant indication that investors had that prices were on an absolutely unsound basis. After that the subsequent rise was sheer manipulation to permit insiders to unload.

The Financial Post does not ask credit for ending the great stock market orgy. It does not even claim that its article was intended to restore sanity to finance in the United States and Canada and the world at large. But it is a matter of no little interest that an authority who was able to make a fortune out of foreseeing the end of the fictitious New Era dates the turn from the publication of a simple routine story in The Financial Post.

A writer can never know how far a simple routine story is going to carry its influence.

In the Mail

For Wheat Reduction

Editor, The Financial Post:

There is abundant evidence, that notwithstanding the logic of facts which clearly demonstrates that there must be control of production if wheat is ever to be lifted out of the rut that selfish interests are urging no reduction of acreage.

Against the recommendations of statesmen of a score of nations is advanced the gamblers' view, that something will happen to advance prices. That recommendation camouflages a hope that there will be calamities, wars or plagues, perhaps both.

How much better to plan for control of production with the logic of fact that the law of averages inevitably holds good. That today average production must be reduced to a point where the efficient producer will have a reasonable reward for his efforts.

There is no doubt in my mind that the Rome Conference will lead to better conditions in the future. For the present the cloud of over-production obscures the sun. But the sun is there, and will eventually break through and dispel the gloom. Of one thing the West may feel assured. It has as its representative in John McFarland, one who will work hard and unselfishly for its interest and present its case with an ability backed by common sense that will be convincing.

Winnipeg, BRUCE McBEAN.

Other People's Views

An Old Libel

Sault Star: G. C. Coote, M.P., repeats the old libel that newspapers are influenced by big advertisers. So that it is odd to see the newspapers printing columns of the evidence at Ottawa showing up the conduct of the big advertisers who are alleged to force manufacturers to use sweated labor. Even the hearsay evidence has not been suppressed and some of it, in fairness, can hardly be said to be exactly fair. Hearsay evidence is ruled out of ordinary court procedure.

Off With Their Empty Heads!

New York Herald-Tribune.—Risking the perils of excommunication for high treason against the sacred canons of the "brain trust," Messrs. Mitchell, Person and Barker, of Columbia, have once more insisted that restriction of output is no cure for the depression. At the same time they subscribe to the heresy that not higher prices per se, but increased purchasing power, is essential to recovery.

The estimable gentlemen who have dared express these views must be prepared to be relegated at once to the stuffed shirt brigade. They have deliberately closed their eyes to the fact that these outworn theories were outlawed together with the law of supply and demand and the naive assumptison that what we need is lower prices and increased productivity. The accepted doctrine under the New Deal is that we should produce less at higher costs. In a world suffering from too many economic restrictions we should apply the cure of more restrictions. Although the summary of the statements of these gentlemen does not so state, the implication is that they even believe we need higher profits, not lower. This damns them as on a par with Owen Young, Carter Glass, Lewis Douglas and other old fogies.

Such shocking sentiments as these Columbia professors hold must not be allowed to distort public opinion. They strike at the fundamental economic philosophy of the "brain trust." Restriction, reduction, regimentation—these are the slogans of the present economy. For those who deny this philosophy there is only one fit punishment—instant decapitation in the manner of the Queen in "Alice in Wonderland."

Becoming Live Issue

Montreal Gazette. — Colonization will become a pressing problem as soon as prosperity returns to this conntry, and the many plans now being suggested ought to receive first consideration inasmuch as they provide for a managed rather than a haphazard settlement. The influence of organized labor which did so much to restrict immigration in past years ought to have little force in regard to a movement restricted to farmers and their families, but a new difficulty arises by reason of the policy of limited production which seems to be finding favor with the Federal Parliament. Under that policy the farmer is being asked to surrender his economic independence and the outlook is one which can have litle attraction for prospective emigrants, particularly those of British stock. It may be, however, that by the time any of the settlement schemes now projected are acted upon there will have been an end of brain trusts and their efforts to circumvent the immutable laws of nature.

Should Abandon Public Control

Northwestern Miller, Minneapolis—In Canada wheat is about the only natural product that is still suffering as much as ever from depression. Others are finding better markets and better prices. That wheat has not done so too is largely due to artificial prevention of natural liquidation. This may have been good business for the moment and immediate losses to the wheat growers might have been heavier had there been no such interference. On the other hand, it is also true that by this time the surplus wheat would have been worked off and prices sufficiently higher to compensate for the earlier losses. Moreover, the slate would have been clean and the way clear for a real and substantial recovery.

One of the principal reasons for the continuing exclusion of Canadian wheat from European markets that used to buy large quantities is the existence of this unsold surplus of 200,000,000 bus. in Canada. It is believed that were the barriers to be lowered dumping of Canadian wheat would follow. It would be infinitely easier for Canada to bargain her way back into those markets for wheat and flour now if this surplus did not exist, or, alternatively, if it were privately owned. This being so the soundest policy for Canada to adopt at this stage would be to announce that she is going out of the public ownership and marketing and that private trading is to be restored to its old place and kept there.

There is good ground for the belief, now generally held by those in Canada, the United States and Great Britain who know anything about the grain trade, that this wheat board legislation is quite the most dangerous thing that Canada has gone in for during the depression.

"Stop Me If You Have Heard This One"

In the congregation of an Oak Park church during Sunday morning service was a young bride, whose husband was an usher. Becoming terribly worried about having left the roast in the oven, she wrote a note to her husband, sending it to him by another usher.

The latter, thinking it was a note for the pastor, hurried down the aisle and laid it on the pulpit. Stopping abruptly in the middle of his sermon to read the note, the astonished pastor was met with this written injunction:

"Please go home and turn off the gas."

The Federal Budget

The significance of the recent Dominion of Canada budget address to bond investors is discussed in our May Investment Letter. Appropriate charts outline the changes in Canadian federal finances.

A copy of this letter will be gladly sent to investors upon request.

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The comparative figures below, extracted from its 1933 annual report, are concrete evidence of the stability of the Largest Insurance Organization in the British Empire.

	1933	1932
Premium Income	$172,366,846	$166,270,115
Total Income	244,264,156	236,934,339
Total Assets of All Branches Exceed	1,350,000,000	1,283,000,000
Payments to Policyholders in 1933	$124,828,796	$115,241,735
Total Claims Paid Exceed	2,102,000,000	1,960,000,000
Life Policyholders share of Surplus for 1933	$30,124,107	$30,110,602
New Life Sums Assured	$417,386,684	$403,366,374
Total Life Sums Assured in Force	3,627,556,997	3,504,986,635

The figures above are converted on the basis of $4.86 2-3 to £

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The Week in Business

New Brunswick Business

SAINT JOHN, N.B., is experiencing a decided revival in business, led by increased shipping activity, according to reports from that point. Recently 22 steamships were in the port at one time, straining facilities to the limit. Export cargoes are chiefly automobiles and lumber, about 1,000,000 feet of the latter commodity being handled daily. Newsprint shipments have also increased materially, 25,000 tons being handled during the first ten weeks of 1934 as compared with 6,173 tons during the whole of 1933.

Retail trade in the town and throughout the province is stimulated by this increase in shipping business. Farmers have benefitted by improved livestock prices and the highest prices in years for hardwood for fuel purposes. Meanwhile, announcements are already being made which indicate that next winter's lumber cut will be almost double the increased cut of 1933-34.

* * *

South Africa Trade Opportunity

GOLD mining activity as stimulus to return of prosperity is not confined to Canada. South Africa is experiencing a marked improvement largely based on this metal and Canada's chances to obtain a substantial market in that country are greatly enhanced.

Wheat and flour, formerly Canada's chief exports to South Africa, are not in demand, according to a report from the Canadian Trade Commissioner in Cape Town, but Canadian lumber and box shooks are required. Practically every industry using the latter is expanding rapidly, with many of the importers and co-operatives requesting Canadian supplies.

* * *

Branding Spoils Hides

FEW are the youngsters who do not imagine themselves participants in a branding round-up, revelling in the activity and horsemanship displayed in an atmosphere heavy with the smell of singed hair and burned hide. British importers of Canadian cattle wish that this were a thing of the past, however, as the burned brand makes the hides of cattle unsuitable for "splitting" and greatly reduced their commercial value in the British market.

It is explained that one of the chief outlets for skins of Canadian cattle sent to the British market is for upholstering in the motor car industry—leather-covered upholstery being much more common in that country than in Canada owing to the larger percentage of roadsters, phaetons and convertibles. The burned brand makes hides unsuitable owing to its usual location on the rump. Branding of a different type on leg or neck is suggested.

* * *

But Canadian Cattle Favored

OTHER than the branding problem and the inclusion of a number of unsuitable cattle in nearly every shipment, buyers in the United Kingdom are very satisfied with Canadian shipments. There is an almost entire absence of disease of any kind and cattle put to grass fatten quickly. The excessive energy of Canadian beasts is always an indication of health, but it sometimes proves inconvenient, especially in the absence of lairage and market facilities sufficiently strong to control properly the movements of the cattle.

* * *

Time Payments Out of Favor

DEPRESSION experience has made purchasers chary of entering into time payments if the automobile industry is any indication of the buying policy of the public. Dominion Bureau of Statistics' reports show that while automobile sales in February and March were approximately 80 per cent higher than in the corresponding period of 1933, the amount of financing done was only about 25 per cent higher than a year ago.

One sales official of a leading Canadian automobile manufacturing firm told The Financial Post that auto sales this year are 80 per cent cash as compared with a usual figure of around 30 per cent. He said that deferred payment buying had not started as yet.

Commodity Prices

APPROVAL by the United Kingdom of an international rubber agreement calling for allocation of export quotas and restriction of planting made rubber the feature commodity of the exchanges during the past week. The plan, which includes all Asiatic producing countries, becomes effective June 1 and will continue until 1938.

Weather reports continue to be the chief price-moving factor on grain exchanges, although fair export strength at Winnipeg resulted in a slight price gain last week. Chicago was inclined to move independently higher.

	Latest week	Previous week	Same week last yr.
Cattle cwt.	$6.35	$6.25	$5.20
Copper, lb.	.08½	.08½	.06¾
Cotton, lb.	.1115	.1175	.0790
Rubber, lb.	.1263	.1250	.0428
Sugar, raw, lb.	.0280	.0275	.0320
Silk, lb.	1.30	1.32½	1.60
Wheat (Man.) bu.	.65⅛	.64⅝	.59¼
Hides, lb.	.11	.11	.08
Coffee, lb.	.10½	.10½	.08
Weekly Indices			
Y. Annalist	108.9	108.3	86.3
ishers'	73.1	73.2	†63.6
Y. Journal of Comm.	74.6	75.1	57.6
rumps (Brit.)	64.6	64.3	†62.4
S. Labor	73.3	73.3	60.3

†Average 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
anada (D.B.S.)			
Retail (Mar.)	80.2	79.1	77.8
W'sale (Mar.)	72.0	72.1	64.4
S. Labor (Mar.)	73.7	73.6	60.2
Brit. (Feb.)	71.1	70.7	66.8

Note: Indices all on base 1926 = 100, cept N. Y. Annalist which is 1913 = 100. itish index is Board of Trade converted to 6 base.

Base of price quotations is as follows: le—steers, good, over 1,050 lbs., top ce. Toronto; copper—electrolytic, New rk; silk—Japanese, 13-15, New York: ar—96 degrees centrifugal c/f New rk: wheat—No. 1 Man. North., Ft. W. A. basis; hides—heavy native steers: ffee—Rio, No. 7, spot, New York.

Business Conditions in Canada

EMPLOYMENT LOSS RESULT OF LAYOFF IN LOGGING CAMPS

But 400,000 Have Returned to Work in Past Year

MANUFACTURES GAIN

Employment in Cities Gains Due to Manufacturing Activity—Textile, Leather, Iron and Steel Better

Despite a seasonal falling off in employment as at April 1, the employment situation in Canada continues favorable. Lay-offs in industry during the month were slightly more than normal for this time of year.

Based on the Dominion Bureau of Statistics figures, The Financial Post estimates that between April 1, 1933, and the same date this year, nearly 400,000 workers have been re-employed into industry in Canada. The figure is obtained by enlarging the "sample" of employment covered by the Dominion Bureau reports, in line with the total number of wage-earners employed in industry throughout the Dominion. Such a computation has only recently been possible following the valuable material made available in respect of Canadian wage-earners at the last decennial census.

This figure (400,000) should also be used to correct an obvious error in last week's Financial Post in a survey of business conditions in Canada, the figure 700,000 having inadvertently been used in this connection.

Cut Snow-Clearing Staffs

The situation at April 1 this year was complicated by the release of unusually large numbers of men who had been temporarily employed in clearing the railway tracks and highways after last winter's storms and by numerous shut-downs after the Easter holidays. Comparison of the seasonally adjusted index of 96.7 at April 1 past with 80.5 at April 1 a year ago gives an idea of the progress that has been made, however.

Manufacturing did not join in the decline in payrolls at April 1, especially the leather, lumber and iron and steel products industries. Metallic ore mining, building construction and trade also showed improvement — the gains in trade being unusually large, having only been once exceeded in the years since 1920.

Logging Staffs Reduced

On the other hand, logging camps reported very large seasonal reductions, a reaction from an exceptionally active season in bush work, and there were important declines in railway construction and maintenance. Pronounced curtailment of a seasonal nature also took place in coal mining, and transportation was also slacker.

Among economic areas, Ontario and British Columbia registered increased employment, while elsewhere losses were indicated, those in Quebec being greatest. The situation in all five economic areas was considerably better than at April 1 a year ago.

Survey by Cities

In seven of the nine cities for which individual reports are compiled, gains were recorded at April 1 as compared with the previous month, losses being only noted in Montreal while there was no general change in Winnipeg. Summary of employment trends in these cities and in the Maritimes follow:

Maritimes — First decrease since Nov., 1933, recorded. Coal-mining, transportation and logging declined. Manufacturing, construction and trade better.

Montreal—Release of snow-clearing staffs resulted in contraction at Montreal, although manufacturing and building construction were more active. A year ago there was an improvement at April 1, but the level was considerably lower.

Quebec—Manufacturing, construction, services and trade registered gains while transportation was slacker.

Toronto—Further and larger increases were recorded, chiefly owing to improvement in manufacturing, services and trade. Textile, leather and iron and steel trade reported the greatest gains.

Ottawa — Small increase recorded, chiefly in trade and building.

Hamilton—Gain hinged on improvement in manufacturing and trade, with construction and transportation quieter.

Windsor—Continued and increasing activity in automobile plants was chiefly responsible for the gain over March 1.

Winnipeg—Construction was slacker while trade reported moderate improvement. Total employment and other activities reported little general change.

Vancouver—Gain occurred chiefly in trade, while shipping was slightly more active. Other groups reported little change.

Business Briefs

Car Loadings in the week ended April 21 amounted to 44,505 cars, an increase of 2,927 cars over the previous week and 10,349 cars greater than in the corresponding week of 1933. The adjusted index number at 77.45 reached a new high for the year.

Automobile Output in March totalled 14,180 cars and trucks as compared with 6,632 in the same month of 1933. Of the total, 10,275 were for the domestic market and 3,905 for export, as compared with 5,078 and 1,554 respectively a year ago.

Coal Production in March amounted to 1,027,787 tons as compared with 824,952 tons in March, 1933.

Coke Production in March amounted to 191,848 tons as compared with 169,134 tons in February and 139,000 tons in March a year ago.

New Car, Truck and Bus Sales in March numbered 8,379 valued at $8,393,350, these figures being approximately double both February and March a year ago. Figures are compiled from returns of 19 companies having 90 per cent of Canadian business.

Financing of New Vehicles in March amounted to $1,214,051 on 1,768 cars. This is an increase of 6.6 per cent in number and 32.1 per cent in value over March, 1933, and almost double the February, 1934, totals.

Ontario Business Gain Features March Survey

The Financial Post Regional Survey Shows Gains in Four Areas — Ontario Up 5 Per Cent from February, 40 Per Cent in Year

By SYDNEY B. SMITH

Marked economic expansion in Ontario featured The Financial Post regional survey for March. The index for the province based on nine seasonally adjusted factors with 1926 as the year of reference, moved up from 97 in February to 102 in March, a gain of more than five per cent.

The recovery since March of last year has been fairly continuous, the marked gain of nearly 40 per cent being shown over the low point of twelve months ago. The expansion since March of last year counterbalanced the decline subsequent to May, 1931, and the index has now reached a level offsetting nearly one half of the decline from March, 1929, to March, 1933.

Gains were also recorded during March in the Prairie Provinces and British Columbia, while the level in Quebec was nearly maintained.

Since the fall of 1932 the index of British Columbia has reflected gradual betterment, while the March level was still below that of the base year, 1926. The index for March was higher than in any month since September, 1931.

Prairie Gain Small

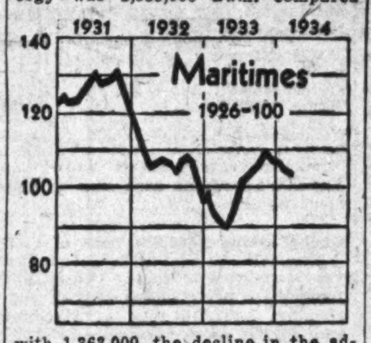
While the index of the Prairie Provinces moved up sharply from March to August of 1933, a considerable reaction was experienced in the latter part of the year. No important change has been shown in the last four months. The net gain during the last twelve months was less than eight per cent.

The index of the Maritime Provinces recorded marked recovery from April to November with subsequent reaction to the present time. While the low point of the depression was reached in the early months of 1933, the trend in the Maritime Provinces was somewhat dissimilar to other areas. The resistance to the depression was more effective in 1930 and 1931.

Quebec Consolidates

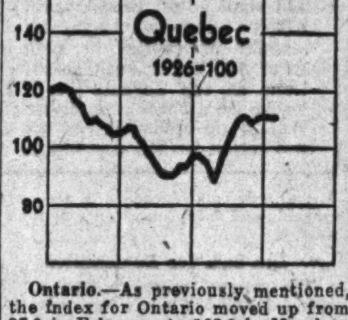
A sharp recovery occurred in Quebec from April to September of last year, the position being consolidated during the last six months without wide fluctuation in either direction. The rise in the index during the twelve months was about 17 per cent. The present level is about 10 per cent above the base year of 1926, the approximate level of the last seven months is the highest reached since July, 1931.

Maritimes.—Conditions in the Maritime Provinces were less active at the end of the quarter, the index for March being 104.0 compared with 105.2 in February. The building industry continued quiet, contract awards being $232,000 compared with $105,000. Average daily output of electric energy was 1,355,000 kw.h. compared with 1,363,000, the decline in the adjusted index being 3.3 points. The adjusted index of employment dropped from 107.4 to 99.2, contraction being shown in logging, shipping and coal mining. Bank debits gained 7 per cent., while life insurance sales dropped sharply after seasonal adjustment. Exports through Maritime province ports were heavy in March, an adjusted gain of 21 per cent being shown. The tonnage of vessels cleared was up 13 per cent, while imports were nearly maintained. Operations in the vicinity of Sydney continued active, the Dominion Coal Co. in a recent week employing 8,000 men and the Dominion Iron and Steel Co. 2,197.



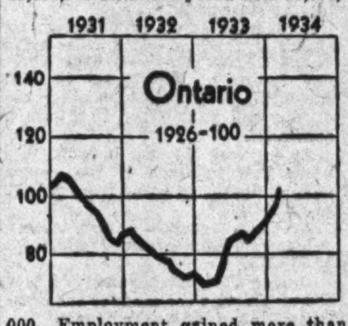
Quebec.—The index of Quebec was nearly maintained at 110.3 compared with 110.6. The percentage gains in contract awards and building permits were large, but construction operations are relatively inactive. The seasonally adjusted gain in electric output was 1 per cent, the daily production in March being 28,444,000 kw.h. compared with 28,755,000 in February. Employment showed an adjusted decline of more than 3 per cent.

Bank debits were 11 per cent greater than in the preceding month. The boot and shoe industry showed a gain of 14.5 in output in the latest month for which statistics are available. Imports of raw cotton were up nearly 9 per cent, while the output of newsprint recorded a gain of 10.5 per cent.



Ontario.—As previously mentioned, the index for Ontario moved up from 97.0 in February to 102.0 in March, a gain of more than 5 per cent.

The award of contracts in Ontario was $4,854,000 in March, a considerable gain being shown over February. The gain in building permits was less than normal for the season. Electric output recorded an adjusted gain of 6 per cent, the daily average being 19,468,000 kw.h. compared with 18,778,000. Employment gained more than 2 per cent, working forces being released from logging operations while practically all other groups of the classification recorded increases.

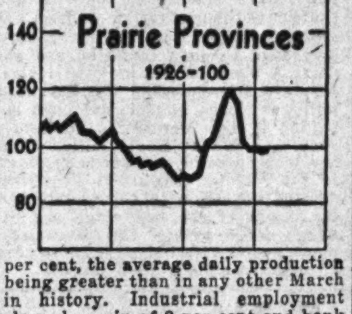


Bank debits were up 19.5 per cent, a large gain being shown in Toronto. Sales of life insurance showed an increase contrasting with the declines in other economic areas.

The meat-packing industry was less active as measured by inspected slaughterings. The output of steel ingots gained about 7 per cent, and the increase in the output of motor cars was 37 per cent. Consequently seven Ontario factors out of the nine used in this connection recorded expansion in March over the preceding month.

Prairies.—The index of the Prairie Provinces advanced from 98.2 to 99.9, a gain of 1.7 per cent.

New business obtained by the construction industry was maintained even after seasonal adjustment. The output of electric energy was up 4.4 per cent, the average daily production being greater than in any other March in history. Industrial employment showed a gain of 2 per cent and bank debits were up 1.8 per cent.

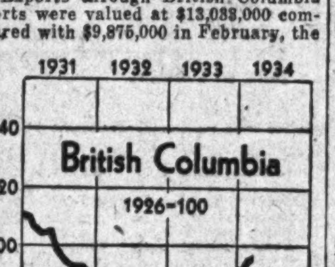


The adjusted index of wheat receipts at country elevators was 7.5 per cent higher. Wheat prices averaged 66.3 cents per bushel for No. 1 Northern compared with 65.6 in the preceding month, forming a contrast with the normal tendency for the month.

British Columbia.—The business index for British Columbia was 97.1 compared with 96.4, the gain being 0.7 per cent. Contract awards showed a gain over the low level of February. Electric power expanded to the extent of 4.6 per cent, the gain over March, 1933, being nearly 18 per cent.

The index of employment fell off nearly a point and bank debits were at a slightly lower level. The index of the sales of life insurance dropped from 140.3 to 133.9.

Exports through British Columbia ports were valued at $13,033,000 compared with $9,875,000 in February, the adjusted gain being 6 per cent. Tonnage clearing from Vancouver recorded a gain of 4.5 per cent. The gain in imports was less than normal for the season.



Contract Awards In Construction Higher In April

Construction contracts awarded in April, as compiled by MacLean Building reports, is announced as $11,469,000. This is an increase of 52.6 per cent over March and is one-third greater than in the same period month of 1933. In the total for April, 1934, two large jobs for $1,500,000 each are included, one in Montreal and one in Toronto, both of which have public sponsorship and therefore will probably not be recorded in building permits.

Awards in April were divided among provinces as follows: Ontario $5,096,800; Quebec, $4,644,400; western provinces $1,437,700; Maritimes $290,300. Contemplated work is increasing steadily, the total of more than $100,000,000 since the beginning of the year being approximately double the figure reported during the corresponding period of 1933.

Last week, in The Financial Post, it was shown that building permits and wheat exports were the two weak factors in Canada during the first quarter of 1934, totals being less than during the same period of 1933. As far as the former is concerned, indications point to early improvement as construction contracts awarded record steady gains over corresponding months of 1933. Building permits, of course, are not issued for many large jobs which are carried on either outside of city limits or under federal or provincial sponsorship and, as the increase in construction contracts to date have been largely the result of this type of work, the lag in building permits is understandable.

GREATER ACTIVITY IN MANUFACTURING EVIDENT IN MARCH

Post Business Index Shows 2.6 p.c. Gain in Final Form

The final form of The Financial Post business index was 91.0 in March compared with 88.5 in the preceding month, a gain of about three per cent. The increase in the factors recently coming to hand was not so pronounced, but the rise of 2.6 points in the index reflects spectacular advances in a considerable number of factors.

Silver production was the only factor recording a decline among the nine used to measure the trend of mineral production. Gold and base metals showed sharp gains. The index of the imports of bauxite for the manufacture of aluminum moved up from 58.2 to 66.4. Coal production at 1,028,000 tons was more than maintained. The net result was that the index of mineral production advanced from 117 to 149.

Manufacturing Gains

Gains in tobacco releases were less than normal for the season, the index dropping from 128.2 to 115.7. The tire industry speeded up operations in March and 7,640,000 pounds of crude rubber were imported as against 4,153,000 in February.

Manufacturing.—The index of the imports of raw materials for the textile industry moved up from 106.9 to 115.9. Raw cotton imports were 14,346,000 pounds compared with 11,109,000, and gains were shown in cotton yarn and wool.

The imports of iron and steel products recorded a moderate increase and coke production advanced 4 p.c. after seasonal adjustment. Petroleum imports were 73,555,000 gallons compared with 44,369,000, the adjusted increase being more than 14 per cent.

The result was that the index of manufacturing production advanced from 83.2 to 88.8, a gain of almost 7 per cent.

Construction.—The adjusted index for construction was 36.2 compared with 34.1 in February. Contract awards in April at $11,469,200 compared with $7,527,500 in March did not show the normal increase of the season. It is consequently anticipated that the index of construction will show an appreciable decline in April.

Electric Power.—Average daily output of electric power was 57,923,000 kw.h. in March compared with 57,595,000 in the preceding month, the adjusted index of 176 reaching a new high point in history. The consumption for domestic and ordinary industrial purposes obtained by deducting energy used in electric boilers as well as the exports, was also at a maximum.

Trade.—The index of distribution moved up 3.5 per cent to 96.3 per cent in March. Each of the four components recorded gains in that month. Employment in wholesale and retail trade moved up sharply from the beginning of the year to the present, showing on April 1 a gain over the same date of 1932 as well as over last year. The railway freight movement gathered momentum in the first quarter, carloadings being at a higher level in March than in either of the last two years, and weekly statistics for April were decidedly favorable. After seasonal adjustment imports recorded a moderate gain only. Exports recovered from the relatively moderate level of February, the recovery in the export trade during the first quarter reacting beneficially on the economy of Canada.

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly Latest 1934	Weekly Latest 1933	Cumulative Total Jan. 1 to date 1934	Cumulative Total Jan. 1 to date 1933
Transportation—				
Car loadings (April 21)	▲44,505	34,156	656,585	527,461
C.P.R. gross earn. (Apr. 21)	$ ▲2,191,000	$ 1,834,000	$ 34,016,000	$ 29,012,000
C.N.R. gross earn. (Apr. 21)	$ ▲2,985,008	$ 2,524,778	$ 46,714,843	$ 38,138,095
Business Conditions—				
Weekly index D.B.S. (Apr. 21)	▲94.4	72.4	......	......
Failures, No. (Apr. 21)	▲22	35	611	369
	Monthly			
Business Conditions—				
Financial Post Index (Mar.)..	▲91.7*	69.9	......	......
Transportation—				
C.P.R. net earnings (Mar.) ..	$ ▲1,518,929	$ 877,495	$ 3,226,439	$ 1,297,479
C.N.R. net revenue (Mar.) ...	$ ▲1,598,959	$ ‡255,307	$ ‡65,003	$ ‡4,023,243
Iron and Steel (March)—				
Pig iron production (tons) ..	12,101	......	54,977	35,353
Steel ingot prod., (tons)	72,923	11,212	191,709	64,352
Automobiles (Number) March data—				
Passenger Car: Sales*	4,319	2,730	7,252	5,419
Factory output	12,272	5,927	24,319	11,873
Trucks and Buses: Sales*	560	271	1,089	654
Factory output	1,908	705	5,336	1,415
Exports (Mar.)	▲3,905	1,554	10,999	2,050
Construction—				
Building permits (Mar.) ...	1,089,481	934,555	2,663,595	3,016,339
Contracts awarded (Apr.) ...	$ ▲11,469,200	8,608,700	31,324,700	8,312,000
Newsprint (tons)—				
Production (Mar.)	210,129	137,078	572,950	403,534
Exports (Mar.)	239,442	138,005	559,181	373,230
Sugar (lbs.), (Feb.)—				
Imports	19,922,700	11,998,200	30,674,500	20,620,100
Melting & shipments	22,484,009	57,890,777	59,174,832	95,698,813
Manufactured	21,360,155	55,482,178	63,862,260	103,082,420
Flour (bbls.)—				
Production (Feb.)	1,102,043	844,899	2,144,548	1,704,006
Wheat flour exports (Mar.)..	493,327	490,270	1,270,201	1,220,688
Trade (March)—				
Imports	47,521,158	32,935,623	113,504,466	80,890,870
Exports	58,346,445	37,161,048	142,840,865	95,120,389
Wheat exports	10,103,240	14,815,705	28,704,287	40,444,843
Employment (Apr. 1) D.B.S. Index—				
All industries	91.3	76.0	......	......
Manufacturing	88.1	76.0	......	......
Electric Power Output (March)—				
Total monthly (000's omitted)	1,795,616	1,371,060	5,136,857	4,067,301
Aver. daily	44,227,000	57,923,000	....	....
Other Industrial Indices—				
Lumbering: (March)—				
Plank & board exports	131,349	60,460	330,279	137,340
Boot & shoe prod. (Feb.) ...	1,324,048	1,200,276	2,354,715	2,122,174
Crude petrol. imports (Mar.)	▲73,555,000	49,336,328	175,526,586	121,977,197
Cotton imports (Mar.)	▲14,346,000	6,374,000	33,845,000	21,165,000
Raw rubber imports (Feb.) ..	4,153,000	2,631,000	8,007,298	5,294,427
Coal imports (Mar.)	▲714,902	497,908	1,689,447	1,439,386
Finance—				
Failures: (D.B.S. figures)—				
Number (Jan.)	153	216	153	216
Liabilities (Jan.)	$ 2,009,188	4,049,929	2,000,188	4,049,929
Bank debits †(Mar.)	$ 2,488,914	1,887,000	7,175,276	5,676,153
Bond sales (Mar.)	$ 14,061,044	985,728	58,261,698	21,387,338
Life insurance sales (Mar.) ..	$ 32,966,000	32,046,000	90,384,000	91,936,000
Automobile Financing—				
Used cars (March)	$ ▲915,486	854,917	1,870,567	2,038,330
New cars (March)	$ ▲1,214,051	919,287	2,201,345	1,908,201

†—000's omitted. *Eastern Canada sales only. ‡Deficit. *Preliminary.

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You'll like these new Summerweights "by Brock": Smartly styled in velvety lightweight felts : : : just the hat for the bright days of early summer.

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Hatters to Gentlemen for over Half a Century

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SOUTHERN ALBERTA HAS GOOD PROSPECTS

Crops and Industrial Activity Reported in Better Shape

From Our Own Correspondent

LETHBRIDGE—With the last week in April closing the Southern Alberta wheat crop is practically seeded. The acreage is slightly reduced from last year perhaps but not more than 10 per cent. More coarse grains and corn are going in as increased cattle, hogs and sheep will be fed this winter. The crop goes in under excellent conditions as the moisture is ample for germination although a good rain at any time would be welcome. This region never faced brighter prospects as little land, other than well-prepared fields, is being seeded.

The sugar beet crop, now an important source of wealth for farmers in the irrigated areas, is about 50 per cent seeded which means roughly 7,000 acres. The first beets were planted April 6 and are now visible along the rows — three weeks earlier than usual. This also applies to wheat seeding.

Flock owners are busy with lambing. Green prairies and clear, mild weather combine to make conditions for lambing ideal and the increase of lambs to date is well up to the level of other years. Lambs are thrifty. Shearing at the big range camps will come on around the first of June. Sheepmen look for 15 cent wool at least, a better price than last year.

Pacific coast canning interests, in co-operation with the Taber-Barnwell irrigation district, are building a vegetable canning plant at Taber which will be ready for operation this fall. Another new industry in that same district is the growing of broom corn for a Regina manufacturer. Several hundred acres will be seeded to this new crop as tests carried on for several years have given extraordinarily good results. Much of the broom corn now used in Canada is imported from the United States.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Canadian Industries announces plans for a new plant at East Selkirk, Man., for the manufacture of commercial high explosives. The plant will cost approximately $225,000 and employ about 25 men at the outset.

Foster Wheeler Corp. plans expansion of its St. Catharines plant and the manufacture there of Riley fuel burning apparatus, Canadian rights for which have been obtained from the Riley Engineering & Supply Co., Toronto.

Million Dollars in Fur Farms

Investment in fur farms in Manitoba amount to over a million dollars, according to the revised federal figures for 1932, the value of land and buildings being put at $500,333 and that of the fur-bearing animals at $508,866, or a total of $1,009,199. There were 173 fox farms, 87 mink, 3 raccoon, 1 coyote, 1 badger, 3 muskrat and 2 beaver.

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FLOATING POWER
HYDRAULIC BRAKES
ALL-STEEL BODIES

HAVE YOU DRIVEN A 1934 CHRYSLER SIX *with* 93 HORSEPOWER

IT'S headline news when you buy a Chrysler at this low price. A big, handsome, powerful Chrysler Six . . . with all of the fine engineering features that made Chrysler famous . . . plus scores of new features . . . independently sprung front wheels, a new ventilation system, dustproof inside luggage compartment, and many other innovations. See the 1934 Chrysler Six, compare it with other quality cars of its price.

WHAT A YEAR of Chrysler achievement! . . . the Airflow Six, Airflow Eights and this astonishing Chrysler Six with independently sprung front wheels!

1934 Chrysler Six . . . 93 horsepower, 3 body types on 117-inch wheelbase. Four-door Sedan, Rumble Seat Coupe and Convertible Coupe. Chrysler Airflow Six . . . 100 horsepower. Chrysler Airflow Eight . . . 122 horsepower . . . 123-inch wheelbase. Chrysler Airflow Imperial . . . 130 horsepower . . . 128-inch wheelbase.

DELIVERED TO YOU IN WINDSOR $1210 AND UP.

THE *Airflow Chrysler*

DELIVERED TO YOU IN WINDSOR $1670 AND UP.

Dominion Textile Company Limited

BOARD OF DIRECTORS

President: Sir Charles B. Gordon, G.B.E.
Vice-President: Sir Herbert S. Holt
J. P. Black W. A. Black Sir Frederick Williams-Taylor J. G. Dodd
Managing Director: G. B. Gordon

BALANCE SHEET

As at 31st March, 1934

ASSETS

Current:			
Cash on Hand and in Bank		$ 190,758.94	
Investments less Reserve		3,289,593.46	
Call Loans (Secured)		170,000.00	
Bills and Accounts Receivable—Trade less Reserve		2,531,545.35	
Accounts Receivable—Other		53,814.22	
Inventories:—			
Raw Cotton, less Reserve	$2,504,493.42		
Merchandise and Supplies	2,120,706.58		
		4,625,200.00	
			$10,860,911.97
Investments and Advances:			
Investments in and Advances to Subsidiary Companies		$ 6,242,299.16	
Other Loans, Mortgages, etc.		20,322.91	
			6,262,622.07
Fixed:			
Land, Buildings and Machinery			28,314,504.37
Deferred Charges:			
Prepaid Insurance, Taxes, etc., applicable to Future Operations			123,486.53
			$45,561,524.94

LIABILITIES

Current:			
Cotton Acceptances		$ 2,172,429.19	
Accounts Payable (including Reserve for Income Tax)		680,196.80	
Deposit Accounts		125,451.48	
Accrued Wages		201,703.56	
Accrued Interests on Bonds		23,790.00	
Preferred Dividend payable 16th April, 1934		33,960.50	
			$ 3,237,531.53
Reserves:			
Reserve for Depreciation		$10,970,245.08	
General Reserve		266,552.43	
			11,236,797.51
Thirty Year 6% Sinking Fund First and Refunding Mortgage Gold Bonds due 1st September, 1949:			
Authorized	$15,000,000.00		
Issued		$ 5,330,000.00	
Less: Redeemed		572,000.00	
			4,758,000.00
Capital Stock:			
Preferred 7% Cumulative—			
Authorized 20,000 Shares $100.00 Par Value			
Issued 19,406 Shares		$ 1,940,600.00	
Common—			
Authorized 350,000 Shares No Par Value			
Issued 270,000 Shares		18,375,000.00	
			20,315,600.00
Surplus Account			6,013,595.90
			$45,561,524.94

Approved on behalf of the Board:
C. B. GORDON, *Director.*
H. S. HOLT, *Director.*

AUDITORS' CERTIFICATE

We have audited the books of account of Dominion Textile Company, Limited, for the year ended 31st March, 1934, and have obtained all the information and explanations we have required.

In our opinion the attached Balance Sheet and relative Surplus Account are properly drawn up so as to set forth correctly the financial position of the Dominion Textile Company, Limited, as at the 31st March, 1934, according to the best of our information, the explanations given to us and as shown by the books.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, Que., 21st April, 1934.

DIRECTORS' REPORT

To the Shareholders:

Your Board can report a year of more extensive operations, with substantial improvement in financial results for the fiscal period ending March 31st, 1934.

Goods were sold to the value of $17,097,751.91, an increase in value of 49% over the previous year, while the volume of goods produced was 37% greater. There was an 80% rise in the price of raw cotton during the year, and the average value, as contained in goods sold, was 17% higher. The inference can, therefore, be drawn, that, had sale prices been increased so as to wholly absorb the higher cost of raw cotton, the value of goods sold would have shown a still greater increase over last year. The benefits to be derived, both from the consumer's and the manufacturer's standpoint, through increased operations, are shown in the reduction of manufacturing costs, as embodied in the prices at which goods have been sold in the face of the increase in raw cotton values.

At the same time, the Company has earned its fixed and dividend charges from profit on manufacturing operations, and has given more employment to seven thousand workers on the payrolls.

It is a healthy indication of business conditions in Canada that, along with the increased volume of business transacted by this Company and the other Canadian cotton manufacturers, imports of cotton goods under the provisions of the Ottawa United Kingdom Trade Agreements have also shown a very great increase. In the calendar year 1933 the total importations of cotton goods from the United Kingdom were up 72% over the year 1932, and the Manchester Chamber of Commerce export figures for the first two months of the current calendar year show that this condition continues to exist.

The death last October of Mr. F. G. Daniels who, for a period of twenty-five years, guided this Company through good times and bad, was a sad and severe loss. The showing made this year is, in large measure, the result of the excellent position the Company found itself in to take advantage of the first upturn in general conditions. It is a tribute to his foresight and judgment, to the ideals and policies which he put so well into practical effect, and to the splendid organization which he built up and imbued with his spirit that they should carry on.

The physical assets of your Company have undergone only slight changes in the past twelve months. Existing buildings and machinery have been kept in good condition and repair. A block of two hundred looms, put into storage when the Kingston mill was closed in 1930, has been installed in the Merchants, Montmorency, and Mount Royal mills, while new high speed looms have been added in the Verdun plant. It has been deemed advisable to consolidate the operations of the Hochelaga and St. Anna mills within the Hochelaga plant, and the first steps to bring this about have already been taken.

Your Company is carrying a full share of the burden of taxation assigned to manufacturing industry, namely, to the extent of over one million dollars during the past fiscal year.

Dividends on the Common Stock have been paid continuously since June, 1907, and the total amount distributed represents 4.8% per annum on the average net worth of the Company since its inception in 1905.

The 10% reduction in wages and salaries made last year has been in effect up to April 2nd, 1934, when wages were increased by 5%, although salaries were not included in this revision.

Your Board wishes to commend very highly the services rendered to the Company by its staff and employees, and to compliment them on the results of their efforts. We trust the present improvement in trade conditions will be maintained, and that it may reflect to the benefit of all concerned.

The balance sheet as at March 31st, 1934, and relative Surplus Account, together with your Auditors' certificate, are respectfully submitted for your approval.

C. B. GORDON,
President.

SURPLUS ACCOUNT

As at 31st March, 1934

Balance at Credit 1st April, 1933		$5,567,122.93
Add: Net Profit from Operations after providing for Interest on Bonds and Income Taxes	$1,381,816.50	
Interest and Profit on Investments	444,571.32	
		1,826,387.82
		$7,393,510.75
Deduct:		
Premium on Bonds Redeemed	$ 3,950.00	
Adjustment of Depreciation Account re Kingston Plant	160,122.85	
Dividends on Preferred Stock	135,842.00	
Dividends on Common Stock	1,080,000.00	
		1,379,914.85
Balance at Credit 31st March, 1934		$6,013,595.90

Audited and Certified in accordance with our Certificate.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, 21st April, 1934.

Crude Petroleum Output Gains Sharply Over 1933

Crude petroleum output in Canada during February totalled 116,546 barrels as compared with 124,425 in January and 73,087 in February, 1933. Production in Alberta amounted to 106,797 barrels, consisting of 103,048 of crude naphtha and 1,706 of light crude oil from the Turner Valley field, 1,684 barrels of light crude oil from the Red Coulee-Keho fields and 359 of heavy crude oil from the Wainwright field.

Handling losses in the Turner Valley field in February amounted to approximately 2,700 barrels. Stocks on hand in the Turner Valley field on February 28 totalled 19,521 barrels, a decline of 1,844 during the month.

ST. LAWRENCE DECENTRALIZES MANAGEMENT

Important Changes Made by Newsprint Producer in Executive

From Our Own Correspondent

MONTREAL. — Decentralization of management has been effected by St. Lawrence Corp. as a result of changes approved at the annual meeting.

N. A. Timmins, was elected president of St. Lawrence Paper Mills Co., while A. F. White was named vice-president and managing director. A. K. Cameron remains as chairman of the board. Mr. Timmins succeeds Ernest Rossister, in the president's position. Mr. White's office is a newly created position.

Of St. Lawrence Corp., the holding company, Mr. Cameron was elected president with Mr. White as vice-president.

Reduce Size of Board

At the same time the meeting approved of a reduction in the number of directors for the holding company—St. Lawrence Corp.—reducing the board from fifteen to a figure which must not be less than seven or more than ten.

Directors elected to the St. Lawrence Corp. board were: A. K. Cameron, A. F. White, Arthur H. Campbell, George R. Cattrelle, H. C. Flood, H. H. Horsfall, J. I. Rankin, Hon. Gordon W. Scott, R. W. Steele and N. A. Timmins.

The management of the three units which were formerly operated under St. Lawrence Corp.'s control, have now been divorced from the holding company. Lake St. John Power and Paper is being operated by the bondholders with representatives of the St. Lawrence Corp. on the board. St. Lawrence Corp. owns the common stock of this company. The Brompton unit, which is represented in the corporation by the Class A shares, which were exchanged for Brompton at the time of the merger, is being operated as an individual unit.

Operating Conditions Improve

Commenting on the current position of St. Lawrence Corp. companies, A. K. Cameron, who presided at the meeting, said that two more newsprint machines were put into operation at the St. Lawrence Paper Mills last week, bringing the current output up to 400 tons daily, using four of the six machines installed at Three Rivers. The working shifts have been increased from six to eight hours.

The Brompton unit will report a substantial profit for the first quarter of the current year, as compared with the loss in the same period of last year, according to Mr. Cameron. The profits for the month of March were several times the figures for either of the first two months of the year.

PULP AND PAPER EXPORT VALUES REGISTER GAINS

Increase in Newsprint is Feature of March Returns

From Our Own Correspondent

MONTREAL.—Substantial gains both in value and volume of pulp and paper exports from Canada are reported by the Dominion Bureau of Statistics for March last.

Newsprint paper exported during the month totalled $4,788,853 cwt., of the value of $8,095,031. This compares with 2,760,105 cwt. worth $5,403,954 in March last year. United States was Canada's best customer, taking 3,705,292 cwt., valued at $6,343,620, with smaller amounts going to 28 other countries.

The export of wood pulp and screenings in March was 1,250,735 cwt., valued at $2,640,198, as against 831,352 cwt., worth $1,814,651 in February and 891,628 cwt. at $1,812,637 in March last year.

United States was the largest purchaser of wood pulp with 925,291 cwt. at $2,048,202. The United Kingdom was second with purchases of 103,986 cwt. worth $181,552, while Japan was the third largest customer taking 131,452 cwt., valued at $199,255.

Pulpwood exports in March totalled 45,695 cords to the value of $264,819, all of which went to the United States. This compares with exports of 21,609 cords valued at $122,147 in February, 1934, and 23,194 cords at $154,861 in March last year.

Following are the exports for the month of March compared with those for the preceding month and with the corresponding month of last year.

	March 1934	Feb. 1934	March 1933
Paper—			
Newspr.	$8,095,031	$4,396,700	$5,403,954
Others	614,632	290,208	236,142
Total	8,709,663	4,686,908	5,640,096
Pulp—			
Sulphate	468,677	277,119	245,513
Sulph. (bl)	1,533,141	1,148,719	1,235,314
Sulph. (unb)	384,343	219,328	231,300
Mechan.	200,305	134,860	90,097
Screen.	17,076	7,994	2,631
N.O.P.	36,656	26,631	7,782
Total	2,640,198	1,814,651	1,812,637
Total P.&P.	11,349,861	6,501,559	7,452,733

Last month's exports were distributed as follows:

	Paper	Pulp	Total
U. King.	$638,453	$181,552	$820,005
U.S.A.	6,420,904	2,048,202	8,469,106
Others	1,650,306	410,444	2,060,750
Total	8,709,663	2,640,198	11,349,861

A. N. P. A. Vote Favors Board for Newsprint

From Our Own Correspondent

MONTREAL—American Newspaper Publishers Association has adopted a resolution urging the creation of a board to govern the newsprint industry along the lines recommended by the N.R.A. administration.

In recommending establishment of a board of nine members, including three publishers, to function under the supervision of the N.R.A., the association said the N.R.A. recommendations for government of the newsprint industry set up "a monopoly of the United States market for the benefit of Canadian and United States producers of newsprint paper."

The resolution, adopted at the final meeting of the A.N.P.A. convention, charged that the objects of the "monopoly include price-fixing, restriction of imports, the parcelling of consumers, and the elimination of competition in the United States market."

The proposed board, the A.N.P.A. suggested, should be vested with power to investigate the newsprint industry and adopt rules and regulations for the sale of newsprint paper.

Dominion Textile Profit And Volume of Business Substantially Improved

Returns for 1934 Fiscal Year Make Good Reading

VOLUME UP 37%

Income More Than Doubled Last Year — Financial Statement Shows Strength

From Our Own Correspondent

MONTREAL.—Dominion Textile Co., a major force in the Canadian textile field, reports a substantial improvement both in operations and earning power during the year ended March 31, 1934, in comparison with the preceding twelve months

In view of the fact that operations of this company represent a cross-section of the industry as a whole, the following highlights in the 1934 statements are of interest:

The dollar value of sales in 1934 was $17,097,751. This compares with $11,463,646 in 1933, an increase of 49 per cent.

The volume of goods produced in 1934 was 37 per cent greater than in 1933.

Average value of cotton in goods sold in 1934 was 17 per cent higher than in 1933.

Gross income in 1934 (estimating bond interest at $288,595) was $2,114,992. This compares with $918,044 in 1933, an increase of $1,196,948.

Manufacturing profits in 1933 were equal to 3.20 per cent. The profit in 1934 was 9.77 per cent including estimate for bond interest. (Note: in the 1933 statement the company showed earnings before bond interest, while in 1934 the statement shows earnings after bond interest and income tax.)

Earnings on the preferred stock in 1934 were equal to $85.65 a share, compared with $32.06 in 1933.

Earnings on the common stock in 1934 were equal to $5.65 a share, compared with $1.80 a share in 1933.

Net working capital in 1933 amounted to $6,614,013 and to $7,623,380 in 1934. This represents an increase of $1,009,367 or 15 per cent.

Profit and loss account figures for the past two years compare as follows:

	1934 $	1933 $
Gross sales	17,097,751	11,463,646
Net oper. profit	†1,381,816	367,216
Inc. investments	444,571	550,828
Total net earnings	†1,826,387	918,044
Less: Bond int.	....	292,095
Bond prem.	3,950	3,750
Deprec. adjust.	160,122	....
Net profit	1,662,315	622,199
Less: Pfd. dividends	135,842	135,842
Com. dividends	1,080,000	1,282,500
Surplus	446,473	*796,143
Add: Prev. surplus	5,567,123	7,363,266
Less: Trans. inv. res.	....	1,000,000
Balance forward	6,013,596	5,567,123

*Deficit.
†After bond interest and income tax.

WORKING CAPITAL

	1934 $	1933 $	1932 $
C'r. assets	10,860,911	9,030,106	11,285,098
C'r. liabs.	3,237,531	2,416,093	3,293,288
W'k. cap.	7,623,380	6,614,013	7,991,810

Change in Accounting

At the end of the 1934 fiscal year, Dominion Textile Co.'s balance sheet showed assets totalling $45,561,524, compared with $33,651,864 on March 31, 1933. The large increase is due primarily to showing the depreciation reserves separately in the 1934 account. In previous year the property account was shown as a net figure after provision had been made for depreciation.

Among the liabilities, it is noted that no change has taken place in the outstanding capital stock, while the bonded debt has decreased $79,000 to $4,758,000.

The current liabilities are somewhat higher, due to an increase in accounts payable and acceptances on account of cotton.

Big Sum for Depreciation

The general reserve remains the same at $266,552, while the depreciation reserve stands on the books at $10,970,245. In the 1933 report, it is pointed out that the depreciation reserve at that time amounted to $9,766,588. The income account for this year shows only $160,122 written off for appreciation on account of the Kingston plant, so that actually the company wrote off approximately $1,000,000 more than is shown in the official income statement.

Among the assets property account stands on the books at a gross figure of $28,314,504. This compares with a net figure of $18,422,659 in 1933. Advances to subsidiaries increased during the year from $6,104,599 to $6,262,622.

Among the current assets, it is noted that holdings of raw cottons have increased in value from $813,725 to $2,504,493.

Accounts receivable also show a substantial gain—from $1,676,584 to $2,585,359.

During the year advances of $150,630 which had been made to subsidiary companies in 1933 were repaid.

Investments are now carried on the books at $3,289,593 compared with $3,665,969 in 1933. Call loans were reduced during the year from $335,211 to $170,000.

Comments on Situation

In his report to the shareholders, Sir Charles Gordon, president, had the following to say in part:

"It is a healthy indication of business conditions in Canada that, along with the increased volume of business transacted by this company and the other Canadian cotton manufacturers, imports of cotton goods under the provisions of the Ottawa United Kingdom Trade Agreements have also shown a very great increase. In the calendar year 1933 the total importations of cotton goods from the United Kingdom were up 72 per cent over the year 1932, and the Manchester Chamber of Commerce export figures for the first two months of the current calendar year show that this condition continues to exist.

"The physical assets of your company have undergone only slight changes in the past twelve months. Existing buildings and machinery have been kept in good condition and repair. A block of two hundred looms, put into storage when the Kingston mill was closed in 1930, has been installed in the Merchants, Montmorency, and Mount Royal mills, while new high speed looms have been added in the Verdun plant. It has been deemed advisable to consolidate the operations of the Hochelaga and St. Anns mills within the Hochelaga plant, and the first steps to bring this about have already been taken."

Stock Exchange Limits Members

At a special meeting of the members of the Toronto Stock Exchange held on April 26 the following by-law pertaining to member firms domiciled in Canada was passed unanimously:

"A member firm maintaining an office in Canada shall be formed under and subject to Canadian law. If any member is a partner in a stock brokerage firm outside of Canada, such member may establish a firm under and subject to Canadian law with an office in Canada, and the partners in such Canadian firm shall be the same as the partners in the foreign firm, subject in all cases to the approval of the managing committee."

The by-law further provides that a member firm maintaining an office in Canada shall at all times retain within Canada such an amount of capital in such form and under such conditions as the Toronto Stock Exchange auditor or auditors shall deem advisable for the protection of its customers.

National Light & Power Earnings Gain Since 1933

Bond Interest Covered 2.08 Times Before Depreciation and 1.87 Times After — Output Beats First Quarter of 1933

Comparative earnings statements of National Light & Power Co. Ltd., for 1931, 1932, 1933 and the first quarters of 1933 and 1934, as prepared by McLeod, Young, Weir Co., show earnings to be once again on the mend since the end of 1933. The figures for 1931 and 1932 are taken from the annual statements. Those for 1933 and 1934 are based upon monthly reports supplied by the company. In the monthly reports the operating expenses do not include the cost of steam, so that the annual statement will show net earnings lower than indicated by the twelve monthly reports.

EARNINGS AND BOND INTEREST STATEMENT

	1931 $	1932 $	(12 mos.) 1933 $	(3 mos. to Mar. 31) 1933 $	1934 $
Gross earnings	537,751	499,053	487,333	120,067	125,319
Operating expenses	267,070	252,679	251,840	55,684	56,786
Earnings	270,681	246,374	235,493	64,433	68,533
Depreciation allowance*	27,210	25,616	24,367	6,003	6,266
Property taxes	†	†	26,257	6,900	6,700
Miscellaneous earnings	§	§	6,746	112 (def.)	628
Net available bond interest	241,971	219,258	191,616	51,418	56,195
First mortgage bond interest	120,000	120,000	120,000	30,000	30,000
Net profit	121,971	99,258	71,616	21,418	26,195
Times F. M. bond int. earned before depreciation	‡2.24	‡2.04	1.80	1.91	2.08
Times F. M. bond int. earned after depreciation	‡2.02	‡1.83	1.60	1.71	1.87
Output in kilowatt hours	22,923,534	20,863,868	20,421,340	4,018,291	4,705,562

*Five per cent of the gross revenue.
†Included in operating expenses in the annual statement.
‡After allowance for income tax.
§Annual statement includes these items in net available bond interest.

Better Newsprint Price Anticipated by Graustein

From Our Own Correspondent

MONTREAL.—Prospects of an increased price for newsprint were held out to the shareholders of International Paper & Power Co. by Archibald R. Graustein. He does not expect an immediate advance, but thinks that by the beginning of 1935 newsprint prices will be on a higher basis.

Mr. Graustein told the shareholders at the annual meeting that the costs are rising and that no one can say how high they will go. Resumption of dividends by the company will depend on cost, selling price and the volume of business, he said, adding that it would not be wise to consider dividends, even if there were sufficient earnings, with a $12,500,000 bank debt.

The latter figure represents a reduction in bank debt by $2,000,000 since the end of 1933. The company is now negotiating with three banks holding the debt, which is due August 1, for an extension of the loan to May 1, 1935.

Henry A. Colgate, New York, was elected a director to succeed Howard T. Baynes.

Saint John Exports Heavy During Winter Season

Exports through the Port of Saint John during the current winter season amount to 537,235 tons, compared with 480,001 tons for the 1932-1933 season, a gain of 57,234 tons being shown. Imports amount to 286,447 tons, as against 250,837 tons in the previous season, an advance of 35,610 tons being indicated. The total increase is 92,844 tons.

According to Alex. Gray, general manager of the Saint John Harbor Commission, the following table represents shipments of leading commodities through the port during December, January, February and March:

	1933-34	1932-33
Softwood (su. ft.)	22,775,485	12,016,201
Hardwood (su. ft.)	13,330,781	6,629,861
Flour (tons)	51,482	41,354
Auto accessories	34,812	12,369
Newsprint (tons)	31,856	4,245
Potatoes (tons)	19,871	4,502
Turnips (tons)	7,055	2,223

NAT. BREWERIES QUARTERLY SALES ON LARGER SCALE

President Tells Shareholders of Better Conditions This Year

From Our Own Correspondent

MONTREAL. — National Breweries increased sales during the first quarter of 1934 compared with the first three months of 1933, according to a statement made by Norman Dawes, president, at the annual general meeting of shareholders.

While sales showed a falling off last year, Mr. Dawes pointed out that, compared with the general trend of business throughout the country, the comparison was satisfactory. The proposed change in the Ontario liquor laws, he said, should increase the volume of sales of breweries and if prices are regulated as in the past, should reflect favorably on profits. He continued:

"The proposed change in the Ontario Liquor Law should increase the volume of sales of breweries and if prices are regulated as in the past, it should reflect favorably on profits.

"In the United States there seems to be an overproduction of beer and prices in some districts are very low. The United States tariff against imported beers makes it practically impossible for the Canadian product to find its way across the border to any extent.

"The first three months of this year (1934) show an increase over the same period last year."

Directors were re-elected as follows: C. E. A. Boswell, A. W. P. Buchanan, K.C., G. C. Cushing, Norman J. Dawes, Kenneth T. Dawes, Brig.-Gen. W. O. H. Dodds, L. A. Ekers, J. D. Hudson, Frank P. Jones, Julian C. Smith and Hon. Donat Raymond. Auditors were re-elected, and shareholders unanimously adopted a resolution confirming all the actions of the board during the year.

EASTERN THEATRES EARNINGS LOWER

Surplus Reduced in 1933 But Working Capital Remains Strong

Net earnings of Eastern Theatres in 1933 were $66,969 as compared with $150,437 in 1932 before depreciation, taxes or dividends. After deductions for the last three items there was a deficit of $78,970 as compared with $1,805 in the preceding year.

INCOME AND SURPLUS ACCOUNT

	52 wks. ended Dec. 28 1933 $	53 wks. ended Dec. 29 1932 $
Net earnings	66,969	150,437
Less: Deprec.	46,842	52,180
W/o equip.	97	59
Inc. tax prov.	...	1,003
Net profit	20,030	97,195
Less appropriations:		
Pref. divds.	35,000	35,000
Com. divds.	64,000	64,000
Surplus for year	†78,970	*1,805
Add: Prev. surp.	183,521	173,665
Less: Inc. tax adj.	427	2,526
Add: Prof. on bonds, etc.	2,778	14,187
Balance forward	106,902	183,521

*Deficit.

Working capital is slightly down but is still very strong as shown by the following table:

Working Capital

	1933 $	1932 $
Current assets	205,703	237,647
Current liabilities	21,331	20,191
Working capital	184,372	217,456
Ratio	9.64—1	11.77—1

Of the current assets more than $196,000 represent cash and government bonds.

Quebec Ships 2,000,000 Tons of Coal

Shipments of coal from Quebec last year amounted to nearly two million tons, there being 55,543 tons of run-of-mine, 1,062,430 tons of screened and 864,082 tons of slack—1,982,055 tons in all.

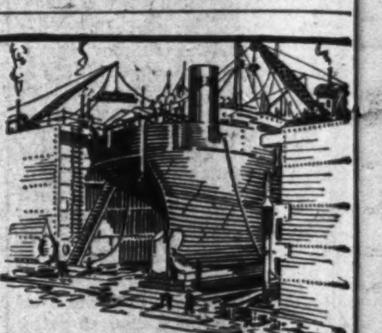
"There's something about it you'll like"
HERBERT TAREYTON
SMOKING MIXTURE

Cut Flower Production Dominates Its Industry

The total value of the floricultural and decorative plant production by Canada during the year ended May 31, 1933 is $1,451,477, comprising $59,086 for outdoor roses, $305,927 for outdoor trees, shrubs and plants, $203,100 for specific indoor plants, $33,196 for other indoor plants, $19,817 for flowering bulbs and $897,731 for cut flowers.

Thus the cut flower industry exceeds all the other categories together in volume and value. The value of the cut flowers sold represents in fact, 62 per cent of the total.

Up the Years with
CANADA'S SHIPPING



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Canadian Investment Trust Only Tested Seven Years

Many Important Differences from the British Trust—Canadian Trusts Born in Mad Decade in Disfavor Since Depression Collapse

The investment trust, since its origin in Great Britain in 1863, its adoption by the United States in 1921, and its first public appearance in Canada early in 1927, has come to be considered one of the outstanding developments in modern finance. Few institutions in the financial history of the Dominion have experienced the extremes in capital expansion and contraction characteristic of investment trust development in Canada from 1927 to the present. In their record of growth and decline there can be traced, in an indirect fashion, the story of Canadian corporate finance in one of the most important periods in the nation's history.

The movement in Canada is generally considered to have started with the offering of stock of the Canadian General Investment Trust, Ltd., early in 1927. The success of this company was an invitation for other firms to market securities of a like nature. Aided by a period of prosperity and rising stock market prices, plus the result of successful and profitable operations of investment trusts in Great Britain and the United States, the growth of these institutions soon became of increasing importance in Canada as related by the following chart:

Investment Trust Financing in Canada 1927-1933

Year	No.	Bonds 000's	Pref. 000's	Com. 000's	Total 000's
1927	11	18,000	20,601	29,109	67,710
1928	13	6,959	12,565	17,678	37,203
1929	17	25,108	25,882	41,694	92,684
1930	7	....	3,650	1,850	5,500
1931	5	....	....	5,500	5,500
1932	5	....	....	5,000	5,000
1933	2	....	....	2,500	2,500
Total	60	40,067	62,699	106,981	209,747
Ratio % .		20%	30%	50%	100%

Note:—The large total for 1927, compared with 1928, is explained by the fact that there is included the capital issues of two commonly called investment trusts which are, in actual fact, holding companies. A comparison of the figures for 1928 and 1929 depicts far more accurately the trend of investment trust financing in Canada during these years. There should also be added an approximate sum of $15,000,000 to represent value of fixed trust securities marketed in 1930-1931.

Underlying Factors

Although general conditions at the period were conducive to the sale of these securities it is necessary to look back a little further to consider some of the underlying factors in the Canadian situation which made such a rapid growth possible. The results of this analysis will also show the many points of difference between the pure form of British management trust and the organization which was erected in Canada supposedly using the former as a model.

Canada, like the United States, considers the war bond selling campaign the greatest single factor responsible for the development of interest in investment securities by the general public. The number of purchasers of Victory bonds in Canada increased from 24,862 in 1915 to 1,067,879 in 1918, and, with the return to normal conditions, this new group threw their weight into the investment market.

The years following the war in Canada also witnessed a distinct increase in many lines of production with a natural improvement in the per capita wealth of the country which rose from $2,525 in 1921 to $3,076 in 1930. Periodic increases in savings accounts also became a common practice and life insurance sales jumped from $310.55 to $636 per capita in the ten-year period 1920-1930. These figures, together with an increase in bond sales from $491,397,477 in 1922 to $653,388,665 in 1928 all serve as indicators of the enormous increase in the power of investment absorption in Canada during what has now come to be popularly termed "The Mad Decade."

The Great Stock Boom

While these factors have all been important in laying the foundation on which the trust structure in Canada has been raised it is commonly felt that they would have proved of little value in themselves had they not been combined with the greatest stock market advance in history. From 1926 to 1929 the weighted index number of security prices in the Dominion rose from 107.0 to 293.3 and it was during these same years that investment trusts experienced their sensational period of expansion.

During the formative period of trust organization in Canada many promoters emphasized the similarity of the underlying economic situation in Canada compared with that found in Great Britain at the time of its greatest trust development. Recent evidence, however, has shown this analogy to be incorrect in a number of important points.

A rapidly expanding foreign trade which had to be financed, extremely low rates of interest on Government bonds, and a fairly stable domestic security market characterized the years in which the majority of the present successful trusts in Great Britain were organized. Compare this to Canada in 1927-1929 where good yields were to be found on fixed interest bearing securities, no difficulties in financing export sales, lack of any excess supply of capital for domestic requirements, and a stock market phenomena the like of which had never before been experienced.

Capital Value vs. Income

Another variation is traced to the fact that wealth in Canada is based on the total value of tangible and intangible assets owned while in Great Britain it is more commonly rated on the basis of annual income. This difference in the investment philosophy of the two peoples has been largely responsible for the emphasis on capital appreciation and turnover profits in the Canadian field contrasted to the demand for a conservative and guaranteed interest bearing security by the British investor. An additional fact of major importance is related to the different manner in which investment trusts are organized in the two nations.

As a result of over 60 years of experience there has been built up in Great Britain a body of independent experts who organize investment trusts without drawing upon the support of any existing financial institution. In Canada, because of the absence of such a group of specialized dealers and the importance of prominent investment banking firms, it has been the common practice of these banking houses to act as sponsors of investment trusts. In this vital difference between the two systems can be found many of the reasons for the steady growth and solidity of the British trust structure compared to the unstable and disorganized system now to be found in this country.

Consideration must also be given to the influence on trust development in Canada by American forces. From 1926 to 1932 there is a record of sale in Canada of the securities of 30 large United States trusts. In the case of the investment trust it has been the combination of British theory with American practice—with the latter having a distinct advantage.

Ill-timed in Canada

The incorporation of investment trusts in Canada was unfortunately ill-timed. Unlike the majority of British trusts, and a number of American units, which were organized in a depression period, the entire trust structure in Canada was raised with portfolio holdings purchased at close to record market prices. In making a comparative analysis of the operating histories of the units in the three countries it is necessary to judge the Canadian record in the list of these circumstances, although this fact by no means eliminates many of the other unfavorable aspects of trust organization and management in Canada.

Canadian investment trusts have been moderate in size, averaging from $2,500,000 to $3,000,000, with only five units having an outstanding capital of more than $10,000,000, and the largest single trust being originally capitalized at $32,000,000. Portfolio holdings have also been smaller in number than those of the British trusts with an average of 200 securities in Canada compared to 450 in Great Britain.

The capital set-up of the majority of Canadian trusts differs considerably from that found in the British units and indicates the influence of the public demand for junior securities in Canada. Out of a total of 60 management trusts only 10 issued bonds, while 35 had a certain amount of preferred outstanding. The emphasis placed on common stock in the Dominion is indicated by tabulation of the capitalization ratios of trusts in Great Britain and in this country, as follows:

Investment Trust Capitalizations

British—	%	Canadian	%
Bonds	40	Bonds	20
Preferred	30	Preferred	30
Common	30	Common	50
	100		100

Loss of "Leverage"

As a result of the small number of bonds outstanding in the majority of the Canadian trusts it has been impossible for them to profit from the operation of "leverage." This advantage, which makes the common stocks of investment trusts having senior capital fluctuate more rapidly than the market average, has been lost to many of the trusts in this country because of the absence of any amount of senior capital issues.

Senior securities in Canada were largely represented by straight debenture issues although, in a number of cases, these were dressed up with common stock warrants to give them a speculative zest. The feature of convertability was also largely used for making the issues more saleable although such practices have been avoided by sound British trusts. The majority of debentures in Canada gave a yield of 4½ per cent while a few were marketed carrying 5 per cent.

Preferred stock also carried a speculative flavor in many cases by the inclusion of the popular convertible into common clause. Another feature used in Canada was the unit device by which preferred was offered with fractional common shares in a unit at a flat price. Almost 65 per cent of the trust securities offered in 1929 were of this type, and this indicates the manner in which investment trust securities were manufactured to suit the taste at the moment without giving consideration to future earning possibilities.

Stock and Reserves

Common shares, which were by far the most popular, ranged all the way from no par value issues to those of $100 par, which is in contrast to the British trusts which have a definite par value for every common stock issue. Approximately one-third of the total number of Canadian trust issues had an issue of A and B shares and in a number of cases this device was used by promoters to gain control of the investment fund.

The British practice of visible and invisible reserves gained little headway in Canada, both because of the short period of trust operation in Canada and the demand from investors for largest possible amount of profits. Dividends on British trust issues are only paid from interest and dividends received on securities held and all capital appreciation is marked as a special visible reserve or is reinvested in the form of an invisible reserve to write down the value of investment. This reserve policy, which has proved to be of immense value to British trusts in the present period, was never adopted to any extent by Canadian trusts, although losses on investments are now being written off through the medium of the distributable capital surplus account.

All Kinds of Buyers

Institutional, as well as individual investors, were purchasers of investment trust securities in Canada. In 1932, 16 insurance companies held a total of 28 investment trust securities which were listed with a par value of $2,069,000, although the market value was considerably below this figure.

Distribution of trust securities in Canada has been on a national scale in the majority of companies formed although a number of smaller concerns retailed their issues largely in Ontario and Quebec. With the exception of one company organized in Vancouver, all Canadian trusts have been incorporated under Quebec, Ontario, or Dominion charters. Practically all head offices are located in Montreal or Toronto.

Since the middle of 1931 the investment trusts in Canada have suffered severely and out of the original 60 trusts there are now only about 20 to 25 companies actually functioning. The reduction in the valuation of portfolio holdings has varied from 30 per cent in the case of the stronger units to as much as 80 per cent in some of the smaller and weaker companies. In 1932 there was a record of only five companies making any dividend payment on their common stock.

The organizers of investment trusts in 1927 to 1929 were all kings for a day. It was a case of wagering that prices would continue to rise and then forming a trust. But in a period of a few short years they have fallen from the peak of universal popularity to almost complete public disfavor. The Canadian investment trusts are now experiencing a testing period which may well determine their future in this country.

This is the first article in a series on investment trust experience in Canada. The next article, discussing promotion, incorporation and management features in Canadian investment trusts, will appear in an early issue.

Enquiries

Newsprint Stocks

A client of ours is considering the purchase of some of the newsprint stocks. In recent months there has been an improvement in the operations of the industry and it would appear that some of the low-priced stocks hold forth considerable possibilities over the next year or two. We would appreciate having your opinion on this type of investment.

In the last six months the demand for newsprint has shown very substantial gains. Consequently, manufacturers have been able to step up operations 25 per cent or more above those prevailing a year ago. While the volume of business available is a pleasing feature of the current newsprint situation, the fact must not be overlooked that earning power has not advanced in the same ratio. You will recall that at this time in 1933, the Canadian dollar was selling at a discount in New York. As newsprint is sold on the basis of payment in New York funds, the premium received at that time was equivalent to a price increase. Now this premium has been eliminated so that the larger tonnage does not do much more than offset the loss in revenue through the appreciation in the value in the Canadian dollar.

There is no doubt that the Canadian newsprint situation is a great deal more hopeful now than it has been at any time in the last 3 or 4 years. The manufacturers have shown signs of co-operating and endeavoring to put their own house in order. The situation, however, is still far from being clear-cut. To purchase the securities of the manufacturing companies, with one or two exceptions, involves considerable speculative risk.

Canada Steamships

Please let us have a report on Canada Steamship Lines. Is there any prospect of an immediate reorganization and does the outlook for this year appear more hopeful?

Canada Steamship Lines has experienced a very sharp contraction in its earning power over the last three years; the result has been that the company has found it necessary to pass interest on its general mortgage bonds. The bondholders' protective committee has examined the position of the company and so far has not arrived at any conclusion as to what should be done to place the finances of the company in a sounder position. Presumably it is the intention of this committee to allow the company to carry on for another year with hope that the volume of traffic and earnings will show an increase and thus make it easier to effect a reorganization. At present the prospects are that 1934 will be a better year than 1933, but the conditions in this business are so variable that it does not do to make any long-term forecast.

Essex Border Utilities

Will you please tell me what difficulties have caused the Essex Border Utilities Commission to default on its bonds? Can you tell me when bond interest is likely to be resumed?

Essex Border Utilities Commission operates in the Border Cities district area of Ontario and is owned by the several municipalities that it serves. The object of the commission is to carry on its actual sale of services on a cost basis without allowing for debenture principal and interest. The amount required each year for debenture principal and interest is levied against the various municipalities. These municipalities with the exception of two, are in default of their own debt, and are also in default of their payments to the Essex Border Utilities Commission, which are necessary to allow the commission to pay its own debenture principal and interest.

From the foregoing you can see that the fortunes of the Essex Border Utilities Commission bondholders depend on what happens in the settlement of debts of the defaulting Border Cities municipalities. Until some settlement is made with the municipalities on their own debentures, which would, of course, involve an understanding as to what the municipalities were going to do about servicing the debts of the Essex Border Utilities Commission, there does not appear to be any possibility of the commission paying interest or principal.

Conditions are improving in the Border Cities and this will probably lead to a settlement sooner or later. If tax collections are good enough, for instance, the City of Windsor may be able to make a small interest payment this year. However, it appears that it will be only toward the end of this year that there will be even a possibility of getting some part of arrears of interest from the Utilities Commission.

Page-Hersey Tubes

Will you send me your opinion of Page-Hersey at the present price for a holding stock? What price did it go to in the past and what dividend was the highest? I have about $800 to invest and was considering Page-Hersey.

Page-Hersey Tubes has a strong working capital position and has maintained it throughout the depression in spite of the fact that yearly earnings dropped so far that from 1931 they were not sufficient to pay dividends. The amount earned in 1932 was $1.96 a share while $4 a share was paid in dividends. In 1933 $1.82 a share was earned and $3 a share paid. The reserve for depreciation written off, however, was $206,797 in 1933 as against only $75,000 in 1932. The dividends were, on this basis, $186,908 short of paying common dividends, but W. W. Near, president, stated at the annual meeting in February that though business was at a low ebb in the first half of 1933, it had materially increased during the latter half. If 1934 maintains or increases that improvement net earnings situation may improve.

During a time of active business, the company is in an excellent position to take advantage of it. It manufactures pipes and tubing for practically every industrial purpose. The plant manufactures as well bends, sockets and nipples, railway signal tubes, steel tubing for gas wells including pipe lines for piping oil and gas, clamps, tubular poles and columns, steel conduits and couplings for electric wiring, coils for heating apparatus, refrigerator plants, drying rooms, soap factories, sugar refineries and general engineering purposes. The company carries on an export trade as well as a domestic business and the higher point to which sterling has gone has been of great assistance in the last nine months.

The highest point to which the common stock ever went was 141 in 1929. The low for that year was 75. The highest dividend paid by the company was $5 and it was paid at that rate through 1930 and 1931.

B. A. Oil

What do you think of British American Oil common stock as an investment?

British American Oil Company earned $1 a share in 1933, pays dividends of 85c a share and is engaged in further expansion already in 1934. It bought two refineries in Western Canada and is extending them as a basis of expansion of sales in Western Canada as if and when the Prairie Provinces come back. The company has excellent management, has a good dividend record since before the war, has producing wells in East Texas and Oklahoma and has been aiming more and more in recent years at making itself a fully integrated oil company. In the last two years, it has reduced bank loan materially. It is not known whether further loans have been made by the bank to finance western expansion or not but the company has the right under proper market conditions to issue further debentures in order to meet expenditure for capital expansion.

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ARCHIBALD McPHERSON, President
T. H. MAIN, Manager

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Color Scheme

INSURANCE men will not be altogether pleased to hear that Mrs. Blank, of Blank Ave., Toronto, has now got her chesterfield upholstered in colors which perfectly match her new Persian rug.

But Mrs. Blank is very pleased. For months, the fact that her chesterfield was of one color tone, and her carpet of another, irked this respected and well-known hostess. But, (and she was always frank about this), she didn't have the money to get her chesterfield re-upholstered this spring,—there's a depression on, you know.

Then a friend told her what every woman should know. So Mrs. Blank looked up to see if her furniture was insured. Making certain the premium had been paid she burned a gaping hole in the upholstery with a cigarette butt, just where it showed the most. The insurance adjuster was called in, agreed that the hole could not be patched, and advised his company to pay for getting the chesterfield reupholstered.

And now Mrs. Blank's drawing room is a symphony of color harmony. Insurance men will be interested to note that Mrs. Blank is thinking of having her husband's study done over as a surprise.

* * *

Fake Lotteries

THE age-old appeal of something for nothing finds a response in most human beings. So we have lotteries thriving in Canada despite the fact that they have not yet been legalized by the Dominion Government. The daily press, blithely unconcerned with the fact it is dealing in contraband, screams the details of every successful ticket on all the major lotteries, thus giving millions of dollars worth of advertising to the business of the fake lottery promoter. Police claim that one such racket was uncovered in Hamilton recently.

In this case, the lottery was called the "N.R.A. Lottery." As a result, two men have been arrested on a charge of being in possession of lottery tickets. They could not be arrested for possessing fake lottery tickets as there is no clause in the criminal code forbidding, in itself, fake lotteries.

According to police, these men worked in the Niagara Peninsula, Toronto, and Northern Ontario. According to papers found when the men were arrested, receipts for March amounted to $4,260.

Bait for the unwary was supplied by notices of vast prizes won by other people. One man, according to a prize list found by police, was supposed to have won $1,000, but expense account, found with an elaborate system of bookkeeping, revealed that the total payment to this man was only $30 police claim.

Officials are working on the assumption that this latest lottery racket is wide-spread, and police authorities throughout Ontario are being asked to check up.

WINNIPEG VICINITY TOWNS IN DEFAULT MAY PAY IN 1935

Bondholders' Chances Depend on Tax Collections

There is a possibility that holders of debentures of defaulting municipalities surrounding Winnipeg may receive some payment on their bonds by 1935, W. C. McKinnell, supervisor, recently reported to the Manitoba Municipal and Public Utility Board. Mr. McKinnell is supervising finances of the City of St. Boniface, the town of Transcona, the rural municipalities of St. James, St. Vital and West Kildonan, and 10 school districts, all of which are in default.

Outlining general budget policy for 1934, Mr. McKinnell said:

"Collections from arrears of taxes of 1933 and prior will be used first of all, to liquidate overdrafts at the bank; clean up outstanding accounts and any surplus put to the credit of the debenture holders to meet coupon debenture interest. There is no doubt in my mind that if collections in 1934 are as good as in 1933 added to which is the hope for improved economic conditions, that during 1935 a considerable amount will be available for the debenture holders."

Relief Costs Heavy

Relief costs in the five municipalities named, totalled $894,507, plus administration charges of $18,609. One-third of the relief and all the administration payable by the municipalities. Of St. James, St. Vital, West Kildonan and Transcona, Mr. McKinnell recently reported:

"The percentage of collections (1933 taxes) which in St. James amounted to 81; St. Vital, 72; West Kildonan, 68, and Transcona, 74, considering the period through which we are passing, was fairly satisfactory. But when it is understood that these amounts included both payments on arrears and current of the current levy and that the levies were not made to cover 100 per cent of the expenditures on account of the danger of driving all properties into tax sale, it places the municipalities in the position of being unable to meet all their engagements and having to perhaps, still further, if at all possible, curtail expenses.

"The four municipalities have only been able to carry on by the generosity of their creditors, who, although protected by statute, have allowed the collections of principal and interest to be used for relief purposes, and although this may be the wisest course to pursue, it works a hardship on some who rely on their share of the interest payments for their living and who are in the position themselves of having to seek relief, although at the same time holding considerable debentures of the municipalities."

Hopeless Situations

Mr. McKinnell recently advised the B. C. Municipal News that radical elements in some of the municipalities favored wiping out the debts entirely. He thought these people had "in the back of their minds" to borrow again as soon as this was done.

Among the municipalities there are "some very hopeless situations," according to Mr. McKinnell. In some cases debt equals the total of live assessment and in such cases, he thought, there will have to be some adjustment of the interest rates on the debt.

More Plants, Lower Volume In Dye and Cleaning Industry

There were 166 establishments in Canada whose principal operations were dyeing and cleaning in 1932. This was an increase of nine over the year before. The gross value of work performed in 1932 was $5,005,718, a decrease of $1,139,047 or 18.5 per cent from 1931. The capital invested in this industry in 1932, $6,867,918, also showed a decline of $160,185 or 2.5 per cent.

The number of persons furnished employment was 2,878, eighty-seven less than in 1931, and their salary and wage bill, $2,538,102, also dropped by $423,657 or 14.3 per cent. All materials used decreased by $96,334 or 15.6 per cent to a cost of $521,680, while the value added by manufacture, $4,484,038, showed a decline of $1,042,713 or 18.9 per cent.

Laundering Establishments Report Lower Volume in '32

There were in 1932, 243 establishments whose principal operation was the laundering of garments, household effects, etc., who reported work performed to a gross value of $12,297,061, which was a decrease of $2,582,858 or 17.3 per cent from the previous year.

The capital investment, $18,525,196, also declined by $568,265 or three per cent. Employment was furnished to 8,292 employees in 1932, representing a decrease of 515 persons or 5.8 per cent, while the salary and wage bill declined to $6,482,339, a decrease of $1,227,517 or 15.9 per cent. The cost of materials used was $1,065,906, $284,109 or 21 per cent less than the 1931 cost, and the value added by work performed, $11,231,155, had decreased by $2,298,749 or seventeen per cent.

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11

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CANADIAN PACIFIC OPERATING PROFIT RECORDS ADVANCE

Returns for March and First Quarter Greater Than Year Ago

From Our Own Correspondent

MONTREAL.—The comeback of the Canadian railways' earning power in the past few months has been a feature of the business indices. Revenue car loadings and, in turn, the increase in operating revenues has gone a long way toward strengthening the finances of the transportation companies.

The Canadian Pacific Railway has materially benefitted from the change as evidenced by its interim monthly statement for last March. In that month gross operating revenues at $9,946,321 were $1,146,165 more than in March, 1933.

Working expenses naturally increased with the greater volume of traffic, but the gain in this direction did not offset the increase in gross, so that net operating income at $1,518,929 compared with $877,495 in March last year, an increase of $641,435.

Quarterly Returns Higher

The improvement in March is a continuation of gains made earlier in the year. For the first quarter of 1934 the Canadian Pacific had a gross operating income of $27,487,176, an increase of $3,914,468 over the first three months of 1933.

There was an advance in working expenses, but net operating income at $3,226,439 was $1,928,960 more than in 1933.

Bathurst Power's Pulp Business Moves Ahead

From Our Own Correspondent

MONTREAL. — Shareholders of Bathurst Power and Paper Co. were told at the annual meeting that business of the company is definitely on the up-grade. Production of sulphite pulp is now running at 60 per cent of capacity and will shortly be stepped up to a higher figure. No newsprint is at present being manufactured, as it is cheaper to buy from other manufacturers than to operate at low capacity.

The directors were re-elected without change.

John D. Gilmour,
B.Sc.A., B.Sc.F., (Toronto)
CONSULTING
FOREST ENGINEER
MEMBER OF EXECUTIVE, PACIFIC LOGGING CONGRESS. MEMBER CANADIAN SOCIETY AND QUEBEC ASSOCIATION, OF FOREST ENGINEERS

Seventeen years in practical active charge of eastern pulpwood logging operations, continuously for the same interests.

Experienced in all phases of organization and management of logging operations, logging engineering, transportation, timber valuations, cost estimates, budgetting and control.

• QUEBEC, QUE. •

What Stocks For The Bull Market?

The outlook for better business and better security prices is quite favorable. World recovery is progressing. An excellent barometer of world business is the number of oil tankers in active use. 18 months ago, 33% of the world's oil ships were idle. Now all but 10% are in active use. These figures are highly significant. Indications multiply that successful investors are continuing to accumulate sound stocks in anticipation of better business and profits in the next year.

10 Outstanding Stock Values

For many months THE FINANCIAL WORLD has been publishing from time to time analyses of undervalued securities to be held for the longer term recovery. Investors who acted upon our advice are now in a position to profit substantially. However, we advise continued retention of sound stocks. For those readers who have not yet prepared themselves for the further upturn in business and securities, we have just published an unusual market study entitled "10 Stocks For The Next Bull Market."

Profit By Keeping Posted

We are now in a period of attractive investment opportunities. It is a time to get rid of doubtful securities and to replace them wth those of promise of substantial betterment. We can be of great service to you right now in pointing out outstanding security values and in strengthening your investment portfolio. In each coming issue of THE FINANCIAL WORLD you will receive besides unbiased analyses of sound securities, many facts that are highly important. Each number will give you the cream of the financial, business and investment news of the previous week, together with painstaking market studies and surveys which will enable you to buy securities on the basis of their intrinsic worth.

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"TELL THE TRUTH" BILL NEW COMPANIES LAW NOW BEFORE COMMONS

(Continued from page 1)

commission or other remuneration is paid or given directly or indirectly to others in connection with the transaction. It does not apply to existing owners of its securities or to other creditors in connection with any arrangement or compromise or reorganization of the company or adjustment of the rights of such holders or other creditors.

Every prospectus must have on it the date of incorporation of the company, the address of the head office, the names, descriptions and addresses of the directors and proposed directors and chief executive officers and of the auditors, if any.

The general nature of the business actually transacted or to be transacted by the company must be shown along with particulars of the share capital, authorized, issued and paid up, the number and classes of shares and the par value thereof where there is par value, a description of the respective voting rights, preferences, conversion and exchange rights, right to dividends, profits or capital of each class, including redemption rights and rights on liquidation or distribution of capital assets.

Other information required on the prospectus is as follows:

Option Data Wanted

Particulars of the securities covered by options outstanding or proposed;

The number of securities of each class offered by the prospectus, the issue price and the amount payable on the application for and allotment of the securities and, in the case of a second or subsequent offer of securities, the amount offered for subscription on each previous offer within the two preceding years and the amount actually allotted and the amount paid up;

The specific purposes in detail and the approximate amounts to be devoted to such purposes and the proportion and sources of funds to be raised in part from other sources;

Remuneration of Directors

The aggregate remuneration paid by the company during its last financial year, and paid or payable during the current year to directors and to officers who get more than $10,000 per annum;

The estimated net proceeds to be derived from the securities offered on the basis of same being fully taken up and paid for;

Vendors in the Open

The names and addresses of the vendors of any property and the amount paid or payable in cash or securities of the company to the vendors for the property;

Where debentures are offered, particulars of the security which has been or will be created for those debentures;

Particulars of any services rendered to the company which are to be paid for by the company wholly or partly out of the proceeds of the issue;

What Promoters Get

The amount paid within the two preceding years or intended to be paid to any promoter with his name and address and the consideration for such payment;

Who Will Control?

The nature of every material contract entered into within the two preceding years and the fixing of a reasonable time and place at which any such material contract may be inspected.

Any provisions in the by-laws as to the remuneration of directors;

Full particulars of the nature and extent of the interests of every director in the promotion of any property acquired by the company within the two preceding years;

The amount of the consideration received for the issue of no par value shares set aside as distributable surplus;

Names and addresses of the persons, who, by reason of beneficial ownership of securities of the company or any agreement in writing, are in a position to cause to be elected a majority of the directors of the company;

Audited Statements Essential

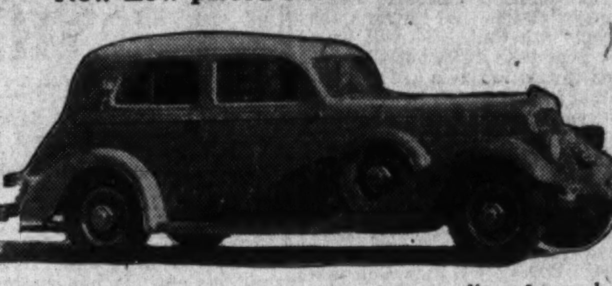
An audited balance sheet of the company and profit and loss statement;

In the case of purchase of a business by the proceeds of securities a report made by accountant upon the profits or losses of the business for the three completed financial years immediately preceding, or less if the company has not been in existence that long;

Auditors Must Speak Out

If the reserve for depreciation in respect of such fixed assets is inadequate, in the opinion of the auditors certifying such balance sheets, they must make statement to that effect and unless the auditors consider the reserve for bad and doubtful accounts adequate, or no such provision is required, there shall be a statement that in the opinion of the auditors adequate provision has not been made;

New Low-priced Pierce-Arrow Sedan



Pierce-Arrow of Canada announces a complete new line of cars, beginning at $3,225 for the club brougham, the lowest Pierce-Arrow price in the history of the company. The new cars have wheelbases of 136 inches and are powered by 135 h.p. eight-cylinder engines. All the features of the dearer line are included in this new line, including draftless ventilation, patented insulation and hand-finished interiors. Salon models are also offered at slightly higher prices.

Unless inventories are valued at the low, whether cost or market value, auditors must state if the value shown exceeds market values according to their opinion, and in any event, a statement of the manner in which such value has been determined;

Every report with respect to profits shall show separately any profit which, in the opinion of auditors or accountants, is of a non-recurring nature, shall exclude unrealized profits, and, if the securities in relation to which the prospectus is issued are shares of the company, such profits shall be shown after income taxes actually paid, or payable or estimated, if the amount has not been fully determined;

If a director, responsible for non-compliance with these requirements, proves he was not cognizant of any matter not disclosed, or that contravention arose from an honest mistake of fact on his part, or that the non-compliance was in respect of matters which were immaterial in the opinion of the court, may reasonably be excused;

Responsibility of Directors

Yet every director, every person who has authorized himself to be named in the prospectus as a director or as a proposed director, every promoter of the company and every person who has authorized the issue of the prospectus, shall be liable to pay compensation to all persons who subscribe for any securities of the company on the faith of the prospectus for the loss or damage they may have sustained by reason of any untrue statement unless it is proved that he withdrew his consent to become a director before the issue of the prospectus, that it was issued without his authority or consent or knowledge, that on becoming aware of its issue he forthwith gave reasonable public notice of the withdrawal and his reason;

A person can be held liable to pay compensation if it is proved that he had no reasonable ground to believe that the person making any such statement, report or valuation was competent to make it;

Telephone Calls Forbidden

A new section adopted from the English Act is one that forbids offering of securities from door to door and that includes telephone calls though a salesman may sell in a business office or to close personal friends, business associates or customers with whom he has been in the habit of doing regular business.

Must Not Impair Capital

The prohibition in the present act against a dividend being declared, which will impair the capital of the company, is changed to read in the new act that no dividend shall be declared when the company is insolvent, or which renders the company insolvent, or which, except in the case of a mining company or a company with wasting assets, will impair the capital of the company. In the case of a mining company, or any which has 75 per cent in value of the assets of a wasting character, such payment can be made if it does not reduce the value of the remaining assets so far that they will be insufficient to meet all the liabilities of the company then existing exclusive of its paid up capital.

Directors may declare stock dividends in any amount which they may lawfully declare payable in money. The liability of directors for declaring a dividend when a company is insolvent, or which renders the company insolvent or which impairs its capital, is modified in the new bill by a clause limiting their liability to creditors "to the amount of any dividend so declared."

A Way of Escape

If any director, when such dividend is being declared, requests the entry on the minutes of the board of his protest against it, or if an absent director delivers to the president, secretary or other officer of the company, his protest against same and delivers within eight days a duplicate copy to the Secretary of State, he may be exonerated from the liability.

Directors Must Declare Interest

Some new sections, taken from the English Act, give a good deal of attention to the cases of directors interested in contracts with his company. By this new act, he would be required to declare his interest at the meeting of directors at which the question of entering into the contract is first taken into consideration or, if he is not there, at the next meeting held after he becomes so interested. No director is permitted to vote in respect of any contract or proposed contract in which he is interested.

Section 113 of the present act making directors jointly and severally liable to clerks and workers for all debts not exceeding six months' wages, is changed to be for all debts not exceeding two months' wages due for services performed for the company while they were directors.

The new act states that the annual meeting of the shareholders of the company shall be held at some date not later than 18 months after incorporation and subsequently once at least in every calendar year and not more than 15 months after the holding of the last preceding annual meeting. If default is made in holding the annual meeting the court may call or direct the calling of an annual meeting on the application of any shareholder. The clause in the present act which permits shareholders who hold one fourth part in value of the subscribed stock of the company, to call a special meeting by written requisition or notice, is changed so that shareholders holding not less than one-tenth of the issued shares of the class or classes, which carry the right of voting, can ask the directors to call a special general meeting.

When Court Acts

This Bill adopts the English practice of giving power to the court in the province in which the head office of the company is situated on its own motion or the application of a director or shareholder who would be entitled to vote at the meeting to order a meeting to be held and conducted in such manner as the court thinks fit and to give such directions as it thinks expedient. This course will be taken only where it is impracticable to call a meeting of shareholders in any manner in which meetings of shareholders may be called.

Better Statements Asked

Directors are required to lay before a company a balance sheet made up to a date not more than four months before the annual meeting or six months in the case of an international company. They must also make a general statement for the same period of income and expenditure, a statement of surplus showing separate accounts for capital surplus, distributable surplus, and earned surplus respectively, the amounts of such surpluses at the beginning of the financial period, net profit or less, any appropriations, dividends paid and declared on each class of shares, changes in and balance remaining of capital surplus, distributable surplus and earned surplus respectively.

The old requirements for the balance sheet still are the same, but there is further definition of the information required. For example, instead of "stock in trade" as in the present law, the clause states "inventory, if any, stating the basis of valuation adopted and the manner in which such value has been determined." The basis of valuation of lands, buildings and plant, whether cost or otherwise, has to be stated and, if valued on the basis of appraisal, the date of appraisal and the name of the appraiser have to be given. The balance sheet has to state also the total amount received from the issue of shares of the capital stock which is attributable to capital and the total amount received from the issue of shares in the capital stock set aside as distributable surplus or any unappropriated balance thereof.

Asks Director Fees

The statement of income and expenditure to be submitted at the annual meeting shall show as a separate item the total of the amount paid to the directors as remuneration for their services, inclusive of all fees, percentages or other emoluments. This shall not apply to a managing director or any other director who holds any salaried employment or office in the company and who devotes the whole of his time to the business of the company or its subsidiaries.

The statement of income and expenditure, according to a new section, shall show separately net operating profit before depreciation, obsolescence and income taxes. It shall show income from investments, non-recurring profits and losses including profits and losses of a special nature, amounts written off for depreciation, obsolescence and depletion, amounts written off for goodwill or amortization of any asset, interest on funded or other indebtedness not maturing within one year, reserve for income taxes, and balance showing net profit or loss for the financial period.

Holding Company Accounts

Any holding company may include in its balance sheet, statement of income and expenditure and statement of surplus, the assets and liabilities and income and expenditure of any one or more of its subsidiaries, making due provision for minority interests. Where not included, there shall be annexed to the balance sheet a statement signed by the auditors of the holding company, stating how the aggregate profits and losses of such subsidiaries have been dealt with in the accounts of the holding company. They must show how and to what extent provision has been made for losses of the subsidiaries in accounts of either subsidiaries or holding company or both and how far losses of the subsidiaries have been taken into account by the directors of the holding company in arriving at the profits and losses of the holding company as disclosed in its accounts. It shall not be necessary to specify in any such statement the actual amount of the profits and losses of any subsidiary or the actual amount of any part of any such profits and losses which have been dealt with in any particular manner.

More Data on Subsidiaries

If the assets of subsidiaries have not been fully provided for in statements of income and expenditure or of surplus, the auditors shall state the additional amount which, in their opinion, is necessary to make full provision. If the amount stated as income received from subsidiaries for the purposes of income and expenditure of the holding company exceeds the profits of the subsidiaries, the auditors shall state their opinion as to the amount of such excess. The latter sub-section applies to holding companies which do not present consolidated balance sheet and do not make full provision for the losses of subsidiaries. These sections differ from the English law in permitting consolidated balance sheet and operating statement.

Where the auditors' report on the balance sheet of a subsidiary does not state without qualification that the auditors have obtained all the information and explanations they have required and that the balance sheet is properly drawn up to exhibit a true and correct view, the statement which is to be annexed to the balance sheet of the holding company shall contain particulars of the manner in which the report is qualified. If a holding company has more than 50 per cent of the shares of another company, the latter company shall be considered a subsidiary.

Giving Majorities Power

A meeting of shareholders may be ordered by the court in case of an arrangement by a company and its shareholders if a company is subject to proceedings under the Winding Up Act or the Company's Creditors Arrangement Act, 1933, cancelling conditionally or otherwise the rights of shareholders or any class of them under the company's letters patent or supplementary letters patent or by-laws on application in a summary way of the company or any shareholder or liquidator. If the compromise is agreed to by three-fourths of the shares of each class represented and voted, it may be sanctioned by the court.

Where any contract involving the transfer of shares or any class of shares in the company to any other company has within four months been approved by the holders of not less than nine-tenths of each class of shares affected, the transferee company may give notice to any dissenting shareholder that it desires to acquire his shares and will become entitled and bound to acquire those shares on the terms agreed on.

The duties and powers of directors are not greatly changed.

Dealing With No Par

The paid-up capital of the company in the case of shares of no par value is declared to be an amount equal to the aggregate amount of the consideration received by the company for such of those no par value shares as are issued, exclusive of such consideration as may be set aside as distributable surplus. Where the letters patent do not provide for it, the board of directors may provide that a part of proceeds not exceeding 25 per cent, may be set aside as distributable surplus. Where the consideration for the issued allotment of no par value shares consists in whole or in part of a going concern which has a surplus over and above all liabilities, the directors may set aside as distributable surplus such part of that amount as is available. In the case of no par value shares issued before the date of the coming into force of this act, the Board may enact a by-law for setting aside distributable surplus and if two-thirds of the vote cast at a special general meeting of the shareholders also favors it the Secretary of State may grant supplementary letters patent confirming the by-law.

MONTREAL POWER RATE CUT IN VIEW

Ready to Hand on Any Tax Reductions to Customers

From Our Own Correspondent

MONTREAL.—Provided no further increases in taxation occur unexpectedly, Montreal Light, Heat and Power Consolidated expects to be in a position to announce a reduction in electric power rates.

In a statement issued by C. S. Bagg, vice-president and general manager of Montreal Power, it was pointed out that while no objection was made to contributions to civic and national progress through legitimate taxation which was borne equitably throughout the country, the company considers it a serious matter from the standpoint of its customers that it should be mulcted for the benefit of the customers of privately owned enterprises elsewhere in Canada.

Montreal Power's income tax payment for 1933 of $1,048,455 was equivalent to almost one-half cent per kw.h. as applied to domestic electricity. Rates could be reduced to this extent, says Mr. Bagg, if privately owned as well as publicly owned companies were exempt. Along these lines Montreal Power has pledged itself to remit any relief afforded in the matter of such taxation to its customers through a reduction in rates for service.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, MAY 5, 1934 10c a Copy; $5.00 a Year No. 18

Bank Act Grist Mill Starts As Committee Halts Probe

Major Douglas Takes Curtain Call — Bankers Defend Interlocking Directorates—Consider Bank Act Changes Clause by Clause

General investigation of banking policies during the depression, interlocking directorates, and the Douglas theory of "social credit" ended in the banking and commerce committee on April 19. Major C. H. Douglas answered some questions on his "social credit" proposals, and testimony was offered by prominent bankers in connection with interlocking directorates.

The banker witnesses were Jackson Dodds, general manager, and Sir Charles Gordon, president, Bank of Montreal; Morris W. Wilson, general manager, The Royal Bank of Canada, and S. H. Logan, general manager, The Canadian Bank of Commerce. In brief, the testimony of the bankers was that interlocking directorates are beneficial to banks and to the country, indicate no sinister motives, and that banking and trust company associations are of no harmful significance.

Consideration of "bill 18," the act to amend the Bank was resumed on April 24. Auditors and bankers explained why bank auditors should be allowed to conduct any special investigations required by banks. On April 26, consideration of Bill 18 was continued, and clause by clause the act started the grind through the committee mill.

The Financial Post continues its day by day summary of the official printed minutes of the committee. The summary starts on April 27 as follows:

Douglas's Last Stand

Major C. H. Douglas, in response to questions, did not think that a serious problem would be raised, if his scheme to appropriate bank profits above 6 per cent on the invested capital, were to allow the 6 per cent on both capital stock and premiums paid for same. Mr. Ralston pointed out that, since bank profits in the last ten years have been about $17,000,000 a year, this would allow dividends of $10,800,000, and the remaining $6,200,000 would be appropriated for repayment to borrowers. This, said Mr. Ralston, would amount to only $10 to $12 per customer. Major Douglas's suggestion was, if the matter is, as Ralston seemed to suggest, of small importance, why not try it and see what happens?

In connection with the Douglas scheme to distribute to bank borrowers, most of the excess of market value of bank assets over their book value, Mr. Ralston asked Major Douglas what he would do if in the year following the distribution market values were to drop? Major Douglas said he would then expect methods to be put in operation which would prevent the market value ever going down, and explained that the original distribution was only an installment of his scheme.

Debt Reduction Scheme

As to the rate of dividends and rate of interest of banks, Major Douglas stated, it makes no difference what rate of interest is charged if you have the scheme in operation by which the amount earned by banks over 6 per cent is rebated to borrowers. Charges made by banks are really regulated in the scheme by the rate of interest paid to the shareholders. Mr. Bowman asked Major Douglas about his scheme to practically abolish taxes in Canada and to wipe out the debt of the C. N. R., but Major Douglas said that he would not care to indicate in a very broad way what this scheme is.

Mr. Euler asked Major Douglas to explain what he thought would happen in connection with the scheme to distribute excess capital values of bank and insurance company assets to the public. Major Douglas would tell of only one consequence and that was that there would be a tremendous stimulation of capital expenditure and large quantities of public works would be put into operation. But, he said, instead of piling up the debt account of the population, it would produce a distribution of securities so that the debt costs put against the population would be held by the population.

George Coote asked if Canada could not put the unemployed to work in construction programmes by proper use of national credit without increasing the interest bearing debt of the Dominion. Major Douglas said that this could certainly be done. The principles by which this would be done would be similar to the British ways and means account. I. O. U.'s would be issued and treated as cash. In England, these are collected again as taxes but it is not at all necessary to do this, according to Major Douglas. All that would be required would be to amortize the debt by the amount that the real wealth deteriorates from year to year.

Interlocking Directorates

Jackson Dodds stated that he has never known a customer to be refused credit because a bank director was interested in a business in competition with that of the customer. Mr. Power asked about companies controlled by the Bank of Montreal. Mr. Dodds said there is the Campania Territorial Mexican S.A., which is being liquidated. Its stock is carried on the Bank of Montreal books at $1. This is all that is left of the U. S. Banking Co. which was taken over when the Bank of Montreal went into Mexico. There is also the St. James Land Co. with a capital of $200,000 all owned by the Bank of Montreal and carried at $1 the officers being officers of the bank. It was incorporated by the Molsons Bank which deeded over to it, property at the corner of St. Peter and Notre Dame Sts., Montreal. There is also the Hochelaga Realty & Development Co., formed to hold the premises of the New York agency. The stock is held by agents of the bank and appears in the books at nil. Another subsidiary is the Land Securities Co. of Canada, Ltd., incorporated in 1893 by the Merchants' Bank of Canada, the $200,000 capital stock entirely owned by the bank and carried at $1. This is real estate that is being "worked off."

Mr. Power asked whether it is possible for a bank to get away from the provisions of the Bank Act concerning lending on real estate. Mr. Dodds said, not now because legislation requires all the controlled companies' balance sheets to be given out with the annual balance sheet of the bank.

Another controlled company is Edifico, Montreal, S.A.-Mexico, formed to hold the bank's property in Mexico. Capital is 750,000 pesos Mexican, all held in the names of bank officers in Mexico and carried on the head office books at $1. Bankmont Co. exists only to hold securities which the banks wish to be registered in its nominee's name. It is not a company but a nominee. The reason is avoidance of cumbersome formalities of transfers, said Mr. Dodds.

Royal Trust Association

Mr. Dodds said there are no relations between the Bank of Montreal and the Royal Trust Co. other than as between bank and customer. The bank does not own any shares in the trust company, but there is a close association between the two because a former bank group formed the trust company in 1899. Mr. Power suggested that it seems extraordinary that each of the large banks has a trust company which, in the public mind, is closely related. Mr. Dodds did not think it extraordinary but the organizations he said were entirely separate, and even compete. As far as the Bank of Montreal is concerned, it is absolutely tuntrue, said Mr. Dodds, that banks use trust companies to do by the back door things it cannot do by the front door. The total number of directors of the Royal Trust Co. is 25 of whom 15 are directors of the Bank of Montreal, said Mr. Dodds. Mr. Dodds supposed that directors of the Bank of Montreal have been made directors of the Royal Trust Co. simply because they were men of high character and integrity and influence.

Mr. Power asked whether Royal Agencies, insurance subsidiary of the Royal Trust Co., might influence the bank's insurance business. Mr. Dodds explained the apportionment of the Bank of Montreal's insurance is based on the business the bank gets from different companies. Royal Agencies helps the bank prepare the schedule of insurance but the bank fixes the allottment, and the Royal Trust has nothing to do with it. Royal Agencies are brokers, and the insurance goes through them.

Mr. Power asked, is there any evil to the body politic arising out of the Canadian practice of having a large number of men on diffrent boards of directors who, at the same time, act as bank directors. Absolutely none, in my judgment, said Mr. Dodds. He thought Major Power had performed a public service in bringing the question of interlocking directorates up so that a little light could be thrown on it.

Sir Charles Gordon Testifies

Sir Charles Gordon said he never had any feeling that there was anything objectionable about four or five men like himself having influence over a wide sphere of Canadian industries. I am in no rings or cabals or anything of that description and never have been, he said. Sir Charles could not answer whether there was any arrangement through the C. B. A. about the commercial loan rate. Mr. Dodds said there is no arrangement with regard to what rates banks charge on commercial loans. Sir Charles stated the Bank of Montreal and the Royal Trust Co. are run entirely separately. Mr. Power asked if the fact that a few men had such enormous resources at their disposal was a good thing. Sir Charles said, if used in the proper way, it would be good, but agreed that this power could be abused. Competitive companies, for instance, he said, might be refused credit, but with decent directors would not be permitted. The Bank of Montreal, said Sir Charles, before he was president, was said to have an adjunct of the bank something like those of the New York bank but the Bank of Montreal would not do it. The Royal Trust Co., Sir Charles explained, is not a trading company, not an investment banking company, is not used to buy and sell stocks or to make flotations. It does only an executor's business as a trustee but can make call loans on securities for clients.

Mr. Power asked how a bank director is chosen. Sir Charles explained that the directors pick a suitable man. The shareholders appear to have little to do with the election of directors, but directors are careful to put up only desirable names. Sir Charles pointed out that directors do not hold control of the Bank of Montreal. The Dominion Textile Co., said Sir Charles, is his baby. I am not a high tariff man, Sir Charles told George Coote, but the Canadian textile industry, he said, is not in a position to stand any heavy cut in tariff.

Rates of Interest

Mr. Euler asked why the reduction of one half of one per cent on savings deposits had not been passed on in the form of a reduction in loan interest. Mr. Dodds interpolated that a reduction has been made on municipal and farmers' loans. Sir Charles acknowledged that the bank would have been embarrassed if the rate on savings had not been reduced and pointed out that there are many other expenses besides interest that make up overhead costs. Mr. Dodds interpolated that more than half the branches are being carried at a loss. Sir Charles stated that during the last 10 years half the stock of the bank has changed hands at an average price over $200 and in the last 20 years the whole stock has changed hands, so that the present dividend does not give the holders more than 3¾ per cent on their money and they have also double liability.

The chief protection of a bank shareholder, Sir Charles brought out is to attend the annual meeting, if he is dissatisfied. This has not been done recently but it used to be done. The bank, he said, used to have a couple of cranks that came every year or so and "raised a row."

Mr. Power asked whether Sir Charles, when he met Sir Herbert Holt at board meetings of companies for which they are both directors, would not discuss banking in general. Sir Charles said no. Mr. Power suggested that Sir Charles might say that times are bad, or something of that character. Sir Charles thought not. In discussing the textile business, the banking business would not be discussed. We never meet, said Sir Charles, speaking of Sir John Aird, Sir Herbert Holt, and himself and other bank presidents.

Royal Bank Operations

Morris W. Wilson stated that the Royal Bank, he believed, is holding the largest amount of government bonds ever. Good commercial accounts, he said, are not borrowing. The statement on interlocking directorates prepared by Mr. Dodds, Mr. Wilson thought, covered the ground so admirably that he tore up the one he had been preparing.

The Royal Bank, he said, had never had any stock in the Montreal Trust Co., being merely associated. There are 24 directors of the Montreal Trust Co. of which 11 are also Royal Bank directors. Mr. Wilson did not think that Royal Bank directors held stock control of Montreal Trust Co. Montreal Trust Co. is rather widely held, he said, but anybody who wants to sell must first offer it to the directors who would see that it gets into the hands of somebody who can divert business to the trust company. There is no such thing in Canada, said Mr. Wilson, as security affiliates, and never has been. Trust companies in Canada do not do a security business but act as trustees, administrators and so on. Montreal Trust Co. acts as registrars, transfer agents, real estate agents, and has an insurance department but does not take deposits.

If there is any impression we do things through the trust company that we cannot do through the bank, it is all wrong, he said. Heaven knows, said Mr. Wilson, I do not want to lend money on real estate, probably the only thing that the trust company might do that the bank cannot do. Divorcing of the bank from the trust company would not affect the bank's activities at all, said Mr. Wilson. We have more rows with the officials of the Montreal Trust Co., I give you my word, than any other organization I can think of, said he. As to reducing bank loan rates on account of the reduction in the savings deposit rate, Mr. Wilson said the whole saving affected by reducing the deposit rate was lost through the lower rates that the bank got on its investment in government bonds. Mr. Wilson would agree that it costs 4½ per cent for the banks' money.

Bank Officers' Expenses

Mr. Wilson has sketched the practice of the Royal Bank as to paying club fees for managers and officers. If bank men are travelling around the country, or if customers come to visit from abroad, officers may be allowed to charge entertainment expenses to the bank and in some cases may have their golf club fees paid by the bank. If banks lobby in Ottawa by entertainments and so on, Mr. Wilson said it was without his knowledge.

A bank employee automatically comes under the benefit of the insurance and pension fund of the Royal Bank when he becomes 21 years of age, said Mr. Wilson. If he is discharged or leaves the bank any time

(Continued on page 12)

Codes for Canada: 5. Who is to Control?

Regimentation of All Business Under State Planning is Antagonistic to Democracy—State's Role is Best That of Policeman

> "Ordered human progress depends on two factors. Man must make; and for this requires power over nature, knowledge, industry, and skill..But man must also regulate and control..
>
> "The first is a problem of creation—and he has solved it; the second is a problem of..government—and he is indeed far from finding a solution.
>
> "The first needs knowledge, the second regulative wisdom, and knowledge comes but wisdom lingers.."

The quotation is from Sir Arthur Salter, the prime Anglo-Saxon exponent of a controlled industrial society.

He presents the problem which men are now trying to solve, how to plan and control our economic system in order that mankind may be able to translate its science and skill into a higher standard of living for all.

As business men seek to establish codes of fair trade practice they are grappling with an important phase of the issue of economic planning.

Economy of Abundance

It is the current vogue in economics to say that we have passed out of an economy of scarcity. Hitherto, runs the argument, the basic material fact of existence has been an inescapable scarcity in relation to human needs and desires. We have passed to what is called an economy of abundance.

Upon this premise are built a host of 1934 model economic philosophies. There is the philosophy of the Stuart Chase school of engineering economists. They tell us our job today is to restrain our efforts to produce; to check our robots; to work less and spend more, as though the paradox of poverty amidst plenty could be solved by removing the plenty. In short, they want control instead of competition.

All over the world governments and business groups are devising schemes to reduce production, and to make Jonathan Swift read, in a new version:

> "Whoever could make one ear of corn, or one blade of grass, to grow upon a spot of ground where two grew before would deserve better of mankind, and do more essential service to his country, than the whole race of politicians put together."

Seek New Money System

And there is the large host of monetary reformers who attempt to devise new systems of money and credit to put larger purchasing power in the hands of consumers, to finance—as the Douglas school, a typical one, has it—consumption rather than production. But all of these new financial theories are based on the principle of planning and control.

All of the faddish schools of economics of the moment branch from the one main stem of economic planning, which is significant because it indicates the agreement on what is our main economic problem, namely, to give man a chance to benefit from his technical ability and increasing knowledge and the agreement upon the general theory that this can be accomplished only by planning and control.

Devising new controls for competition is another branch of this problem of economic planning. That is the one we are most concerned with in this discussion. It raises two questions:

First, to what extent shall we retain free competition and to what extent ban it as anti-social?

Second, in the ordinary conduct of business who is to do the planning and the controlling — the State or business itself?

Co-operation and Competition

Today there is a very marked, if very new, disdain for competition. Emphasis has shifted from competition to co-operation. The self-regulating mechanism of competition has lost caste with pamphleteering economists because they believe it no longer regulates. They seek economic planning — the governmental regulation that Salter speaks of, the co-operation that business men lean toward, or a synthesis of the two.

The plea for codes of conduct for industry is but a simple manifestation of the trend of today. It is control that is sought; control by industry of itself if possible, but control by the State if industry fails.

Asking for N.R.A., President Roosevelt said the desire was to provide for the "machinery necessary for a great co-operative movement through all industry." Again, that word co-operation.

And again the brilliant Henry A. Wallace, Roosevelt's secretary of Agriculture, has made the case for control:

> "Much as we may desire the situation which results in a primitive society under the law of unfettered competition, we know that in a civilized state, in order to obtain the maximum of freedom, we must by common agreement set certain boundaries to the free play of our selfishness. This does not mean that government is going to supervise every detail of every last little business; but merely that of necessity certain rules by common assent will be agreed to."

For "Socialized Industry"

Let us go one step further and quote Dr. Rexford G. Tugwell, most advanced of the United States Brain Trust planners, on the necessity for co-operation and control. He is the chief prophet of planning in the United States, just as Salter is its chief prophet for the world at large. It will be observed that his whole economic philosophy is based upon the theory we have already adumbrated, that we have passed out of the age of scarcity in which "unfettered competition" served a useful purpose. He puts it this way:

> "Our economic course has carried us from the era of economic development to an era which confronts us with the necessity for economic maintenance. In this period of maintenance, there is no scarcity of production. There is, in fact, a present capacity for more production than is consumable, at least under a system which shortens purchasing power while it is lengthening capacity to produce. In this period of maintenance, the fact, and it is a fact, of dependence of all production upon a monetary market, vitalizes not only problems of transportation, distribution and exchange but also the fact of indispensable co-ordination of these factors of our economy. Even more, this dependence of our total economic life upon the market makes more and more conspicuous the dependence of our economic existence upon the purchasing power of the consumer—upon wages, that is, and protected prices."

Which leads him to the final conclusion that "Only a socialized industry can market its goods continuously because, until it is socialized, it cannot join in the protection of demand."

Competition and Disaster

In any event, what the economic planners admit is that there was a time when "the anarchy of competitive struggle was not too costly." What they insist is that "today it is tragically wasteful. It leads to disaster."

All these discussions over-simplify the issue. We have not suddenly leaped from an era of scarcity to one of abundance. We have, from the dawn of cave-man times, been moving gradually and insistently from scarcity to plenty; from toil to leisure, and there is no clearly marked dividing line discernible either in historical perspective or prophetic forecast.

Likewise, there never has been such a thing as "unfettered" competition. Every business enterprise existing today has from its very birth been subjected to the control of such man-made forces as tariffs, socializing taxation, politician legislation, etc. Exactly one hundred years ago, Lord Shaftesbury complained that the country was "drooping under the chilly blast of political economy." He was referring to the new Poor Laws, a form of social planning. And in 1819 and 1833 Britain adopted laws designed to limit the number of hours children might work in factories and it was argued that the result would be to raise the general level of wages and increase employment.

This sounds very much like N.R.A. in 1933 and the proposed codes for Canada in 1934.

Plenty of Fetters Now

Competition has never been completely unfettered. It may be desirable for the common good to forge some additional shackles for competition, and the world over the blacksmiths of political economy and politics are busy hammering them out. But the smiths do the average business man's intelligence injustice when they try to tell him that their ideas are brand new. In the recently published volume, "Recovery for Control" some hundreds of pages are given over to outlining legislative and voluntary limits on the free play of competitive forces that are already in existence in Canada.

So much by way of preliminary. The phase of the problem of codes for Canada which it is proposed to discuss in this article is the relative fields of government and of private initiative in mapping suitable broad highways for business to travel over, and in policing those highways when they are built.

"Poverty Amidst Plenty"

Attention is being focused on business methods today primarily because the unprecedented degree of breakdown in business and finance has aroused a spirit of enquiry into the operations of every phase of our economic system. The world has a "poverty amidst plenty" complex and wants to know what's wrong. Thoroughly logical is the unrest of unemployed workers, of insolvent farmers and dividend-less investors; thoroughly logical is the stimulus it has given to the spirit of reform. The theorists are, as usual, leading the way. They are pressing their advantage. The more extreme of them seek the end of the system of competitive economy under Capitalism. Their aim is a planned economy, the regimentation of all economic groups in a Socialist state. To support their case, they are able to cite many obvious evidences of the failure of human nature to manage the affairs of society with the degree of perfection that might be expected in a perfect world. But the most conservative of business men are also evincing a spirit of militant enquiry. It is possible to get a following for any new economic religion.

In outlining remedies for business ills, only a few reformers take into account the frailty of both human intellectual and human moral standards. To assume that putting legislation on the statute books will make people either wise or inherently honest, if today the same people are neither wise nor entirely honest with themselves or with each other is to assume too much.

Possible Rôle of State

But let us consider the possible rôle of the State in drafting and enforcing better rules for the conduct of business.

In seeking reform of business methods, in seeking to devise a system of competitive business in which individual initiative can be made to operate freely within the limits of the social good, the State has several possible courses open to it other than restoration of a theoretical laissez-faire economy.

1. It can actually enter into business. If it takes over all business it sets up a system of Communism. In Canada, governments have become both producers and utility operators on a very large scale.

2. It can plan the economic activities of the nation and control the operations of business. If it goes far enough in this direction it sets up a system of State Socialism. In Canada, governments have assumed the rôle of planner and controller on a very large scale. Canadian experience has added some point to the statement of an eminent social economist that "Capitalism and Socialism are not like oil and water, incompatibles—they mix."

3. It can stay out of business, it can leave the planning and control of economic activity largely to private individuals and groups and confine itself to the policing of the activities of business.

Protection is Most Important

The last is by far the most important function of government. Protection of society and of individuals from the carelessness, the inefficiency, the greed or the brutality of other individuals is the primary function of government. Under the concept of protection may be embraced not only justice, defence and public safety, but a wide range of legislative and functional ideas such as factory laws, child labor laws, the control of monopoly and conversely, the control of competitive methods that are proved to be anti-social.

The government may properly draft the rules but it should not devise the technique of the game, it should not call the plays and it should not actually play in the game, although it may appoint or confirm the appointment of the umpires.

Drafting the Rules

Let us enlarge upon our analogy. Rugby football has its governing body which writes the rules in the light of experience and with the advice and assistance of the players. The purpose of the rules is to prevent rugby football from becoming a free-for-all fight in which each individual seeks self-glory or advantage without regard to his fellow players, the competitors or the spectators.

But writing rules does not make men football players and it does not make fist-fights football games. There is the widest possible scope for the individual player to become efficient by drawing on his intelligence and his experience. There is need for well-devised plays and, so long as they are within the rules and also within the unwritten code of ethics that should guide football players, gentlemen or business men, the most ingenious and best contrived of them are likely to win and will be applauded by the spectators and envied by the competitors.

What business asks today is a code of rules that will permit the individual player to play a good game and will likewise permit fair team-play among members of the same team. It does not want the Government to play in the game nor even to coach from the bench.

Roosevelt is Player

The analogy of a football game is not inept in connection with this subject because it was frequently used in a slightly different sense by President Roosevelt when the New Deal was a-borning. He stated that the administration was on a football field with one hundred yards to go. He could not say what plays would be called or when. The administration would try many different plays and after each one had been attempted and had succeeded or failed the quarter-back would decide which one to call next.

Under the New Deal the government not only writes the rules but is attempting to call all the plays. In this country our governments may properly leave it to business to play the game.

Government is Not God

There is a very glittering sheen to all these schemes for State planning and governmental regimentation of business. But there is one basic weakness to them all. They assume that the government is God. Laws are made by ordinary human beings; government departments are run by men and women. No government can draft into the public service a personnel competent to rule business efficiently, fairly and firmly. Civil servants are drafted from the run of the populace, not from a divinely inspired race of men nor even from a factory turning out automatically functioning and tireless robots.

To quote the ably-edited Sphere of Washington: "The government may control business but politicians control the government."

Even if the simple principles here outlined are accepted as a reasonable definition of the field of government and the field of business itself, there is room for the widest difference of opinion as to the application of the principles. Let us see if we can outline their probable application in Canada.

Minimum Programme

What Hon. H. H. Stevens, Minister of Trade and Commerce, in his vigorous onslaught on present-day business practices, has in mind can only be guessed as this is written.

But a synthesis of his philosophy and that of such organizations as the National Fair Trade Council, which is active before the House of Commons Committee on Price Spreads and Mass Buying, suggests possible maximum and minimum limits to the governmental programme in the near future.

The minimum limits might be set down as follows. It will be seen that they provide for an enlargement of the trade association movement in Canada.

1. Modification of the Combines Investigation Act to make it clear that business men in different groups may join together in voluntary association to permit the establishment of certain codes of conduct in order that the more violent and disturbing forms of price competition and unethical practice may be outlawed;

2. Establishment of a Board of Commerce or other governmental agency to approve such codes and possibly to assist private business in policing their enforcement;

3. Strengthening of the criminal code provisions regarding false and misleading advertising. Possibly the passage of a new honest advertising law which would grant to the Board of Commerce, or similar organization, responsibility for initiating prosecutions;

4. Revision of the provincial minimum wage laws relating to women workers so as to overcome some present shortcomings in their enforcement.

The result of such a minimum programme would be to give to industry and commerce the State's endorsement of a wider degree of self-government than business has felt itself justified in attempting under present legislation. There would be nothing very radical in such a programme.

Maximum Programme

The maximum limits of any near-term programme would probably be about as follows:

1 Complete repeal of the Anti-Combines law, so as to restore to business men the utmost freedom to contract together on such matters as price maintenance, production control, etc., with the interests of the consumer protected by a Board of Commerce, or similar organization.

2. Passage of an Act of Parliament defining in great detail the essential characteristics of fair trade practice and giving a federal or Board of Commerce, or suitable provincial authorities, or both, broad powers to punish any business man contravening any of its provisions by, for example, selling below cost, short-circuiting established channnels of distribution, etc.;

3. Establishment of Dominion or provincial minimum wages and maximum hours legislation for men as well as women;

4. Setting up of new legislative or taxative hindrances to large business units, so as to encourage the small producer and trader.

5. Complete regulation by the State of investments in new equipment, of production schedules, etc., in order to prevent over-production or excess capacity;

6. Establishment of a central authority to fix prices of all classes of merchandise. If in our maximum programme, we are to include only those things that are reasonable, if extreme, expectations, this can be ruled out.

Liberty versus Tyranny

The minimum programme that may be anticipated falls, then, far short of regimentation of industry under State control. Its aim would be merely to let business itself do a good job in raising its standards of conduct, the State intervening only to clear away obstacles to such association and to prevent a ruthless majority from injuring a minority interest or jeopardizing the position of the consumer or worker.

The maximum programme is, in essence, economic Fascism — the first steps in the establishment of a corporate State on the Italian plan, and in practice could hardly avoid becoming political tyranny.

One preserves a large measure of personal liberty and the democratic spirit. The other thinks of personal liberty and Democracy as antagonistic to the idea of community welfare—an idea not unpopular in Europe today.

When Minorities Rule

N.R.A. falls between the two stools. In theory codes under the N.R.A. are voluntary codes of trade associations. In theory such voluntary codes ought to be enough in Canada. But there is one weakness in voluntary codes that presents a genuine problem. If ninety-five out of a hundred manufacturers of a certain kind of merchandise decide that a certain level of wages, working conditions, selling practices, etc., is essential to their own, their workers' and their consumers' interests, and the other five think that there is more profit in some lower level, then the views of the five rather than of the ninety-five are likely, under uncontrolled competition, to rule the trade. Is it in the interests of the community that the ninety-five should tell the five how they must run their business?

N.R.A. answers in the affirmative. So under N.R.A. the wishes of the majority must be accepted by the minority. It has been decided that if there is to be "regimentation" it will be at the behest of the large majority, not the small minority. It is much too soon to judge whether or not N.R.A. is going to succeed; whether voluntary codes, embracing willing business men, and widely publicized, would not protect business and the public quite as adequately as codes having the sanction of compulsion. And N.R.A. does not meet the situation that often arises, when the small minority is alertly right and the large majority is sluggishly wrong.

Design For Utopia

No one can safely forecast what degree of State control of trade will be in vogue one hundred years from now. Philosophies of idealism bear little relation to present-day facts and human weaknesses. Designs for Utopia are interesting and valuable just as working drawings of machinery to control the weather are interesting and valuable. But they are incapable of early application. The more perfect the plan the harder it will be to implement it. This is no reactionary but merely a realistic view.

So the largest good will come from concentration upon objectives capable of early realization. And among the desirable ends that are at the same time practicable are:

First, a larger measure of self-government by industry through an extension of the number and power of trade associations, assuming business has the earnest intention and the moral fibre to do the job, an assumption that is not unreasonable applied to the vast majority of traders and manufacturers;

Second, a more efficient policing by government of the obvious abuses that fall within the definition of the government as protector of community life.

Limits of Legislation

But let us not hope for too much from mere legislation. Prohibition laws revealed the utter futility of legislating in advance of public opinion. We have civic by-laws making it an offence for a pedestrian to cross against a red traffic light. In Toronto scores of policemen made a valiant but useless effort over a term of many months to enforce the law to the limit. Yet, when the policemen were withdrawn from the street corners there was no appalling loss of life. After all, only a fool crosses the road without looking both ways, and self-interest and propaganda keep most people from jay-walking.

In Canada, the job of policing economic as well as social activity is made inexpressibly complex by unsolved problems of jurisdiction, between the federal and provincial governments. This has led to a widespread demand for a revision of Canada's constitution, to demark these powers more clearly and also to concentrate in the Dominion authority a larger measure of authority. The next and concluding article in this series will discuss the question of jurisdiction and constitutional reform.

War on Waste

F. G. Wood, freight traffic manager of the Canadian National Steamships recently attempted to justify the Government's losses in shipping as follows:

"In the period ended in December, 1933, it is estimated the ships cost Canada $42,187,171, made up of interest due the Canadian Government, $18,780,250 depreciations of vessels, $10,045,653 and operating deficit $12,361,268. We have paid back to you for the same period in wages, salaries, purchases and contribution made to the insurance fund $65,765,530, or $23,578,358 more than you have paid us."

By the same reasoning, the C. N R. itself could be cited as Canada's greatest national asset. It has been spending more and losing more than any single business in the country except possibly the Dominion Government. By the same type of logic, every bankrupt business in Canada is a public benefactor because its expenditure has exceeded its income.

The fallacy is in failing to see that what has been spent hasn't been paid for. It has been added to debt in the case of the C. N. steamships. This "beneficial" excess of expenditures, represented by increased debt cannot go on indefinitely without compensating increase in wealth, unless national bankruptcy is eminently desirable. The $42,187,171 wasted in losses on Government steamships is just as detrimental to prosperity as money wasted in private business.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Politics and the Gibb Report

BEHIND the Government's failure to implement the Gibb report lies what appears to be a hopeless tangle of political and sectional interests. And while no one questions the advisability of adopting the report, there does not appear to be the remotest possibility of this being done either by this Government or its successors. The report recommended a complete change in the administrative machinery for operating our chief ports. This involves the abolition of the present Harbor Commissions.

As these commissions are appointed under the patronage system and as their members seem to be deeply entrenched at Ottawa, the recommendation is regarded as being politcally impossible. As for setting up a federal commission to administer navigation on the St. Lawrence River, the Government toyed with the thought for a time but the political reactions in Quebec were believed to be so sure and so unfavorable that this, too, has been permanently pigeon-holed.

Quebec, apparently, is not prepared, under any circumstances to surrender its present jurisdiction over navigation. And by this is meant the Quebec wing of the Federal party, not the provincial Government which has nothing to say in matters of navigation. Since time immemorial, the personnel of the Federal navigation service in Quebec has been controlled by local patronage and Quebec federal ministers, whether Liberal or Conservative are unlikely to waive their privileges in favor of the Government as a whole.

* * *

National Conservative Body Coming

THE resul in South Oxford came as a complete surprise to both parties. The Conservatives expected to lose but by a small majority. The government had been under the impression that the recovery legislation of this session had regained much lost ground with the electorate. Moreover, there was a definite feeling that Liberals had lost ground.

On the other hand, the Liberals privately believed the government to be making rapid headway with the public and feared their prestige had sensibly declined. The result, bringing a victory for the Liberal candidate by a 1,580 majority was a great disappointment to the government (which would have thought nothing of losing by 500) and was an unhoped for and vastly encouraging event for the Opposition.

The government takes the view that defeat was the result of inefficient organization and an absence, these past four years, of a national council and a propaganda bureau. Liberals declare the chief issues were the unemployment relief policy and the marketing bill. The by-election will have the effect of stimulating the Opposition. Also a National Conservative headquarters may be looked for within a month. Finally, South Oxford will tend to encourage provincial Liberals and to postpone a federal general election.

* * *

No Exchange Restriction Aids

UNDER date of March 13, the bulletin of Leopold Joseph & Sons gives full details of exchange rates of various foreign currencies with statement as to Great Britain, too. It is a feather in Canada's cap that it is one of the few countries out of the 36 against which can be placed the laconic comment, "No restrictions." The other countries without restrictions are Belgium, China (Shanghai) on the silver standard, Egypt, France, Holland, India and Switzerland. So far as Canada is concerned it is one of the chief reasons for a flow of capital into this country, banks and securities and the establishment of a certain number of foreign-owned companies.

* * *

Stopping Boom Stops Depression

IN ORDER to head off the possibility of another artificial boom such as that of 1929, the Committee of the London Stock Exchange has announced that permission to deal in future will be accorded only after very careful scrutiny. There will be a flow of new issues in all probability but within the range of this scrutiny.

Leopold Joseph & Company in their April bulletin that the recent tendency in Great Britain to create fixed trusts of every possible variety will need watching. As an institution, it might be an excellent addition to the small investors' amenities but an overplus, particularly of fancy varieties, will serve only to upset markets at some time or another. Many investors are following the lists of such stocks saying that what is good enough for the fixed trusts is good enough for them. As long as purchases are by genuine investors no ill is expected but the potential unloading, either for the sake of profit or from motives of fear, of a mass of securities so bought is now being referred to as a possible market factor.

Bank Chat on Current Topics

Hidden Reserves

HIDDEN reserves of Canadian banks have come in for much talk. Real estate holdings have been investigated at Ottawa. But the Bank of England carries no balance sheet item for its priceless and spacious site in the heart of London. This is called to attention in the latest issue of the Royal Bank Magazine.

The story of the 7' 6" teller buried within the precincts of the Bank of England is also called to mind by this source. This man, one Jenkins, must surely be near the record height for bank tellers. The story goes that his corpse was desired for the illicit commerce of body snatchers. These latter gentry, incidentally, plied an active trade only 100 years ago. At one time there were two of them hanged for murdering some 14 or 15 innocents for the price their corpses would bring from medicos of the day. Little wonder, therefore, that the tall teller was an object of their ghoulish trade, and that the bank interred him in England's safest burying ground.

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Service Charges

THE Macmillan Commission on Banking stated in its report that par checking should be aimed at in Canada, but that some offsetting charge should perhaps be made on the use of savings for checking purposes. Bank managers consulted by The Financial Post feel that par checking in a country as large and scattered as Canada is impractical and would mean a costly loss of revenue to branches.

Free checking on savings accounts in Canada, however, is allowed to probably a greater extent than in any other country. The N. R. A. in the United States may bring charges for servicing checking accounts. Method of charging for checking may be based on balance requirements or an outright charge per cheque.

A charge per cheque in Canada would probably have the effect of increasing cash withdrawals and cash payments; and reducing the number of small cheques. This has been one of the effects of the Dominion's stamp tax on all cheques. The additional charge might just make the trend more pronounced. So charges for checking may not be the means by which to achieve par checking.

Staff Changes

Montreal City and Districts Savings Bank announces the appointment of Michael J. Coady as manager of the new Montreal branch at the corner of Monkland and Girouard Avenues.

Bank of Montreal announces the following staff changes:

W. B. E. READE, formerly manager at East London, to be manager at Port Hope, Ont.

A. G. LOUGHREY, formerly of the superintendent's office, Toronto, to be manager at East London, Ont.

C. S. HALL, formerly manager at Verona, Ont., to be manager at Yarker, Ont.

E. A. LEIFER, formerly manager at Nipawan, Sask., to be manager at Whitewood, Sask.

R. R. WRIGHT, formerly manager at Whitewood, Sask., to be manager at Nipawan, Sask.

The Royal Bank of Canada announces the following changes in staff:

S. A. FRASER, Winnipeg, to be manager at Arden, Man.

A. W. SECCOMBE, Arden, to be manager at Birtle, Man.

C. W. ZILLIAX, Kitchener, to be manager at Lindsay, Ont.

G. R. METCALFE, formerly manager at Foremost, to be manager at Claresholm, Alta.

T. MCMILLAN, formerly manager at Cookstown, Ont., to be manager at Port Dover, Ont.

D. A. BISSON, formerly manager at Papineau Ave., Montreal, to be manager at Three Rivers, Que.

G. R. MARTIN, formerly manager at Port Dover, Ont., to be manager at Aylmer, Que.

L. F. MAGGS, formerly accountant at High River, Alta., to be manager at Turner Valley.

L. CRASHAW, formerly manager at Turner Valley, to be manager at Foremost, Alta.

T. W. CUNCANNON, formerly manager at Birtle, Man., to be manager at Baldur, Man.

L. H. Leach, formerly manager at Lindsay, Ont., to be manager at Grimsby, Ont.

C. C. CARTER, formerly manager at Quill Lake, to be manager at Regina, Albert & Dewdney, Sask.

D. C. DAVIDSON, formerly manager at Three Rivers, Que., to be manager at Prescott, Ont. Citizens of Three Rivers tendered Mr. Davidson a banquet and the staff presented him with a golf bag upon the occasion of the transfer.

The Bank of Toronto announces the following changes in staff appointments:

A. H. A. PADGHAM, formerly accountant at Waterloo, Ont., to be manager at Bethany, Ont.

F. STEVENSON, formerly manager at Bethany, Ont., to be manager at Allandale, Ont., succeeding H. N. MODELAND, who died recently.

R. W. HUTCHISON, formerly on the staff of Montreal branch, to be manager at Sherbrooke and Claremont, Westmount, Que., in succession to A. W. ROPER, who is retiring on pension.

Current Events in Banking World

DEBITS IN MARCH INCREASED 9.6 P.C. OVER FEBRUARY

Gained 32% Compared With March, 1933 — Total $2,489,000,000

After seasonal adjustment, bank debits in Canada's 32 clearing house centres were 9.6 per cent higher in March than in February, according to the Dominion Bureau of Statistics. Compared with March, 1933, the gain was 32 per cent, every Canadian economic area showing an advance. Stock exchange activity and Easter trade are considered important factors in the increase.

Debits in March totalled $2,489,000,000, compared with $2,089,000,000 in February. The gain in British Columbia was less than normal for the season, substantial adjusted gains being shown in each of the other four economic areas.

Gain in the Maritimes was 7 per cent. Debits in Quebec recorded a gain of 11.2 per cent, Montreal being up 9.7 per cent. The largest percentage increase was shown in Ontario, where the gain was 19.4 per cent. Transfers in Toronto reached a high level, the seasonally adjusted gain over February being 23 per cent. A gain of 2 per cent was shown in the Prairie Provinces, Winnipeg recording a gain of 2.8 per cent. The decline in British Columbia, after seasonal adjustment, was 1.5 per cent, a gain of 1.8 per cent being shown in Vancouver.

Quarterly Comparison

Debits in the first quarter of 1934 were $7,175,000,000 compared with $5,686,000,000 in the corresponding period of 1933, a gain of 26.2 per cent. Each of the five economic areas except the Prairie Provinces showed gains in this comparison. Increases were recorded in each of the three centres in the Maritime Provinces, the gain in the area being 12.8 per cent. Owing to greater activity in Montreal, the total for the Province of Quebec showed a gain of 24.8 per cent, while the increase in Montreal was $443,000,000, or 28.4 per cent. Eleven of the 13 centres in Ontario recorded gains over the first quarter of 1933. Debits in Toronto were $2,817,000,000, a gain of no less than 45.7 per cent, and the aggregate gain in Ontario was $994,000,000, or nearly 40 per cent.

Turnover Higher

Owing to the marked gain in bank debits in March, the ratio of bank debits to deposits as at the end of the preceding month was 135.1 per cent, compared with 102.4 in March, 1933, indicating greater business and speculative activity. Debits were as follows:

Bank Debits to Individual Accounts at the Clearing House Centres of Canada

Clearing Centres:	March 1934 $	March 1933 $
Maritime Provinces:		
Halifax	20,942,987	16,778,851
Moncton	6,790,035	4,889,533
Saint John	13,070,791	11,627,618
Total: Maritimes	40,803,813	33,296,002
Quebec:		
Montreal	689,410,077	493,376,404
Sherbrooke	4,925,287	4,563,135
Quebec	40,001,380	36,421,745
Total—Quebec	734,336,744	534,361,302
Ontario:		
Brantford	6,373,981	5,531,632
Chatham	5,710,972	4,036,867
Fort William	3,354,380	2,882,082
Hamilton	41,899,657	31,657,621
Kingston	3,958,603	3,691,039
Kitchener	8,780,337	6,489,006
London	26,269,740	22,784,463
Ottawa	126,165,400	81,282,332
Peterborough	4,066,855	3,613,846
Sarnia	6,979,730	6,372,843
Sudbury	4,184,594	3,028,016
Toronto	978,333,312	594,616,714
Windsor	17,662,334	19,514,731
Total—Ontario	1,233,739,895	785,501,192
Prairie Provinces:		
Brandon	1,864,342	1,959,470
Calgary	37,412,710	38,857,413
Edmonton	31,699,712	30,026,610
Lethbridge	2,912,281	2,472,509
Medicine Hat	1,780,794	1,510,325
Moose Jaw	3,683,911	3,042,605
Prince Albert	1,796,718	1,532,728
Regina	35,989,841	32,583,065
Saskatoon	7,516,861	7,103,989
Winnipeg	219,534,181	310,556,374
Total—Pr. Prov.	344,141,351	429,645,088
British Columbia:		
New Westminster	4,218,621	3,488,593
Vancouver	113,378,518	84,720,246
Victoria	18,294,718	16,311,139
Total, B.C.	135,891,857	104,519,978
Grand Total	2,488,913,660	1,887,323,562

Bank Statement Shows Low Demand for Loans

Easter Holiday at March 31 Brings Big Changes in Deposits and Currency Circulation — Credit Index Near 10-year Low

Largest changes in the position of the ten Canadian chartered banks at March 31 included an increase of $12,000,000 in savings deposits, offset by a reduction of some $17,000,000 in demand deposits. Other large changes were an increase of $15,000,000 in note circulation, a drop of $11,000,000 in holdings of Dominion notes, and a decline of over $11,000,000 in holdings of municipal and British and colonial government securities.

As indicated last week in The Financial Post, it is doubtful whether the large changes in deposits and the impressive increase of note circulation can be interpreted to mean much but that the Easter holiday fell on the month end. This would naturally be expected to have a disturbing effect on the returns of the banks, especially in regard to these items.

The change in holdings of municipal securities and British ond colonial bonds may be a reflection of liquidation due to the favorable exchange rates on sterling, or of a writing down and liquidation of some Canadian municipal bonds, or both. There is a reduction of 28½ millions in this asset compared with March 31, 1933.

Credit Situation

An important change was the increase of $5,649,000 in current loans in Canada during March. Up to the present, Canadian business appears to have been financing itself in recovery. Because even after the increase, these advances are down $50,000,000 from the figure for a year before. The March increase brought The Financial Post's credit index up to 53.2, compared with 55.4 at March 31, 1933, and 52.7 at the end of February, 1934, which was not far from the low point for the last ten years, namely, 52.1 at June 30, 1933. Nevertheless, the credit index did not advance enough in March to conform with the normal upward seasonal trend. An increase of $14,000,000 in government securities, and higher call loans in Canada and abroad, coupled with the position of the credit index, indicate that a normal business demand for credit has yet to come; and that banks are, therefore, still seeking other outlets for their money.

The Financial Post's draft of the bank statement is as follows:

ASSETS

	Mar., 1934 $	Feb., 1934 $	Change $	Mar., 1933 $	Change $
Immediately Available Liquid Resources					
Specie	49,132,883	52,276,603	—3,143,720	54,735,607	—5,602,724
Dom. notes	125,680,207	136,810,556	—11,130,349	138,761,399	—13,081,192
Gold reserve	21,681,732	15,881,732	+5,800,000	22,331,732	—650,000
Foreign banks	86,138,572	80,101,088	+6,037,484	86,837,186	—698,614
Foreign curr.	20,449,983	19,661,579	+788,404	27,295,452	—6,845,469
Govt. secs.	649,805,775	635,456,344	+14,349,431	584,344,682	+65,461,093
Call loans ab'd.	106,209,509	96,453,357	+9,756,152	78,574,588	+27,634,921
	1,059,098,661	1,036,641,259	+22,457,402	992,880,646	+66,218,015
Loans and Securities Other Than Those of Canadian Government					
Public secs.	136,690,895	148,380,924	—11,690,029	165,209,775	—28,518,880
Railway secs.	48,143,414	49,187,850	—1,044,436	43,289,582	+4,853,832
Can. call loans	103,102,791	101,526,182	+1,576,609	96,053,800	+7,048,991
Current loans	874,774,952	869,125,576	+5,649,376	924,913,714	—50,138,762
Loans abroad	138,381,385	140,826,565	—2,445,180	151,384,820	—13,003,435
Prov. loans	26,492,252	25,368,987	+1,123,265	31,241,471	—4,749,219
Mun. loans	127,451,098	116,844,328	+10,606,770	130,170,338	—2,719,240
	1,455,036,787	1,451,260,412	+3,776,375	1,542,263,500	—87,226,713
Other Assets					
Non-curr. loans	13,824,306	13,618,999	+205,307	14,368,038	—543,732
Real estate	7,678,593	7,681,538	—2,945	7,588,081	+90,512
Mortgages	6,092,603	6,115,881	—23,278	6,364,830	—272,227
Premises	78,236,643	78,409,311	—172,668	79,042,347	—805,704
Lets. of credit	51,262,098	53,240,647	—1,978,549	45,892,441	+5,369,657
Loans to comp.	13,489,101	12,959,374	+529,727	13,522,766	—33,665
Other assets	1,738,659	1,755,954	—17,295	1,845,356	—106,697
	172,322,003	173,781,704	—1,459,701	168,623,859	+3,698,144
Total	2,686,457,451	2,661,683,375	+24,774,076	2,703,768,005	—17,310,554
Note cir. dep.	6,513,162	6,506,708	+6,454	6,612,220	—99,058
Int. bank bal.	91,859,845	98,408,028	—6,548,183	80,181,696	+11,678,149
Gross	2,784,830,458	2,766,598,111	+18,232,347	2,790,561,921	—5,731,463

LIABILITIES

	Mar., 1934 $	Feb., 1934 $	Change $	Mar., 1933 $	Change $
To the Public					
Circulation	140,910,153	125,707,707	+15,202,446	130,135,230	+10,774,923
Dom. Govt.	26,360,435	19,800,832	+6,559,603	20,900,171	+5,460,264
Prov. Govt.	29,539,603	22,704,400	+6,835,203	19,430,651	+10,108,952
Govt. advances	40,144,000	43,444,000	—3,300,000	48,444,000	—8,300,000
Deposits by Public					
Demand dep.	470,182,368	487,363,557	—17,181,189	453,558,077	+16,624,291
Savings dep.	1,366,528,536	1,354,764,769	+11,763,767	1,389,114,966	—22,586,430
Total	1,836,710,904	1,842,128,326	—5,417,422	1,842,673,043	—5,962,139
Foreign dep.	320,785,536	319,414,790	+1,370,746	300,386,817	+20,398,719
Due to Banks Abroad, Etc.					
United Kingdom	6,167,072	5,836,151	+330,921	3,944,248	+2,222,824
Foreign	26,800,810	26,873,072	—72,262	44,366,871	—17,566,061
Bills payable	844,795	960,838	—116,043	633,582	+211,213
Lets. of credit	51,262,098	53,240,647	—1,978,549	45,892,441	+5,369,657
Other liabs.	2,358,763	2,363,429	—4,666	2,359,957	—1,194
Total public liab.	2,481,884,169	2,462,474,192	+19,409,977	2,459,167,011	+22,717,158
Due bet. banks	11,527,211	12,479,509	—952,298	10,548,727	+978,484
Liability to Shareholders					
Dividends	630,284	2,447,000	—1,816,716	740,324	—110,040
Reserve	132,500,000	132,500,000	....	162,000,000	—29,500,000
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,771,041,664	2,754,400,701	+16,640,963	2,776,956,062	—5,914,398
Credit index*	53.2%	52.7%	+0.5%	55.4%	—2.2%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Weekly Bank Clearings

	Apr. 26 1934	Change yr. ago %	Apr. 19 1934 $
Halifax	$ 1,933,013	+ 6.9	2,272,707
Saint John	1,664,709	+29.1	1,653,369
Moncton	759,205	+14.6	636,402
Sherbrooke	527,123	+ 3.1	541,936
Quebec	3,539,613	+ 8.7	3,588,728
Montreal	81,225,566	+ 5.9	94,094,102
Ottawa	4,017,653	+12.1	4,827,586
Kingston	454,508	+ 3.8	553,186
Peterborough	624,049	+12.9	646,738
Toronto	108,090,865	+12.0	117,807,099
Hamilton	3,505,785	+13.2	3,544,028
Kitchener	848,452	+23.1	981,780
Brantford	714,078	+ 5.5	806,936
London	2,340,339	+ 4.2	2,654,597
Chatham	423,975	+15.9	421,929
Windsor	1,967,854	— 4.0	2,657,207
Sarnia	363,608	— 2.8	508,897
Sudbury	632,154	+12.5	666,339
Ft. William	461,092	+11.3	658,062
Winnipeg	36,622,974	—42.0	34,475,742
Brandon	238,196	— 8.3	312,840
Regina	2,568,889	— 8.5	2,823,834
Moose Jaw	367,151	— 7.4	470,030
Pr. Albert	241,764	+21.9	250,921
Edmonton	3,374,178	+ 8.8	3,765,774
Calgary	4,089,010	—16.0	4,463,126
Medicine Hat	169,018	+ 0.4	207,815
Lethbridge	330,963	+23.2	395,940
N. Westminster	433,040	+14.4	470,355
Vancouver	15,246,817	+30.6	14,903,893
Victoria	1,411,445	+18.8	1,491,514
Saskatoon	1,093,764	+ 9.2	1,135,449

Monthly Bank Clearings

	April, 1933	April, 1934
Halifax	$ 7,442,785	$ 8,867,857
Saint John	5,314,119	6,906,924
Moncton	2,231,180	2,740,987
Sherbrooke	2,114,714	2,463,796
Quebec	13,964,051	15,872,923
Ottawa	14,402,892	17,874,515
Kingston	1,778,046	2,158,472
Peterborough	1,968,700	2,642,140
Toronto	318,660,718	457,713,480
Hamilton	12,694,469	16,975,107
Kitchener	2,976,731	4,227,424
Brantford	2,784,325	3,188,339
London	8,741,696	10,640,869
Chatham	1,485,667	1,813,536
Windsor	7,915,019	9,399,267
Sarnia	1,377,427	1,776,772
Sudbury	1,878,021	2,837,858
Fort William	1,963,594	2,333,050
Winnipeg	160,218,793	137,785,696
Brandon	1,084,408	1,211,886
Regina	12,678,528	11,591,813
Moose Jaw	1,765,290	1,817,863
Saskatoon	4,278,275	4,278,276
Prince Albert	850,850	1,058,896
Edmonton	13,234,526	15,342,527
Calgary	18,137,775	17,973,542
Medicine Hat	698,515	824,532
Lethbridge	1,204,647	1,558,806
N. Westminster	1,555,961	2,029,844
Vancouver	44,578,751	63,305,568
Victoria	4,880,877	6,220,686

BANK ACT GRIST MILL STARTS AS COMMITTEE HALTS PROBE

(Continued from page 11)

before he is entitled to the full benefit, he gets repaid half his contribution. He explained that there was a certain risk to the bank carrying the pension fund and cited an instance of one man who had been employed by a bank taken over by the Royal Bank and, although he never contributed to the pension fund, was pensioned as was his widow. Speaking from memory, Mr. Wilson thought a man became entitled to a pension after he had served ten years. All this information is available in the book of rules concerning the pensions.

George Coote asked Mr. Wilson whether it is a safe policy for the Canadian banks to have large loans outside Canada. Mr. Wilson replied that there is no more risk in loans outside Canada than inside the country and that in many cases, the loans were better than Canadian loans. Even in Cuba for instance the only damage done to the Royal Bank by the revolution was the smashing of some shutters which cost $100; and one of the tellers of the bank got so excited that he took one of the bank's revolvers and "finished himself off" in the back yard. There would be no great difficulty, said Mr. Wilson, in organizing a separate bank to do business outside Canada, but there would be a disadvantage in that people in those countries liked to do business with the Royal Bank because it is a British institution and therefore has a special standing.

Bank of Commerce Subsidiaries

S. H. Logan, general manager The Canadian Bank of Commerce, in a short brief stated he had not much to add to what Mr. Dodds said about interlocking directorates. The selection of men for bank directorates from directors of other corporations was because these men were prominent, had sound judgment, and added a strong tie to the business relationship. Mr. Logan said he had no experience of a director trying to restrict credit to a competitor.

Companies controlled by the Canadian Bank of Commerce, he said, include the Dominion Realty Co., whose statement appears each year in the back of the bank's statement; Alloway - Champion, Winnipeg, a former private banking business and gradually being liquidated; Compania Wersiones Urbanas which will be liquidated when the company withdraws from Mexico; the Canadian Bank of Commerce, California, organized to serve Canadians in Los Angeles.

Mr. Logan said he was responsible for the building of the new head office building in Toronto. It was built on the principle of space that might be required in the next 40 or 50 years, and has been filled from the start.

Of 34 directors of the National Trust Co., 10 are directors of the Canadian Bank of Commerce. The Canadian Bank of Commerce, said Mr. Logan, owns 1,200 shares of stock in the National Trust Co. or four per cent of the capital. National Trust Co. is an open competitor for deposits. The National Trust Co. are always asking the bank to give them business, said Mr. Logan, just as the Toronto General Trusts does. The Bank of Commerce is not likely to give much business to the Montreal Trust or the Royal Trust, said Mr. Logan, because there is no reciprocity. As a matter of fact, said Mr. Logan, there is very little business we can turn over to a trust company.

Mr. Power said he could not understand why the custom has grown up that almost every bank has a connection with some trust company. Mr. Logan did not think this was correct because the Bank of Nova Scotia had none. Barclay's Bank, said Mr. Power, has the Barclay Trust Co. of Canada, which Mr. Logan said he did not know about before. Mr. Logan said he absolutely agreed with all that has been said by Mr. Dodds and Mr. Wilson and Sir Charles Gordon concerning interlocking directorates. Mr. Logan filed a statement of the history and the contributions of the pension fund of the Canadian Bank of Commerce. The value of bank premises of the Canadian Bank of Commerce is $14,869,000, agreed Mr. Logan. He thought the investment of the Dominion Realty Co. in real estate was about $27,000,000. Against the total of some $41,000,000 the bank has bonds outstanding of $12,000,000 of which the bank holds $3,000,000. The Canada Life and Imperial Life, Mr. Logan testified, hold bonds in the Dominion Realty Co. purely as an investment.

Bank Act Amendments

On April 24 the committee again took under consideration "Bill 18," the act to amend the Bank Act.

Hon. E. N. Rhodes submitted one minor amendment to Bill 18, and three amendments to the Quebec Savings Bank Act.

William Irvine proposed a subsection to Bill 18 to allow officers, clerks and servants the right to organize to protect their interests in regard to wages, salaries, hours of labor and general working conditions.

J. E. Lawson suggested another amendment to Bill 18.

Subsection 17 of section 55 of Bill 18, restricting banks' use of auditors, was considered.

H. D. L. Gordon, president Institute of Chartered Accountants of Ontario, pointed out that this clause makes it an offense if the auditor of the bank does any other work for the bank. This, he said, is a direct reflection on the integrity and honesty of the auditing profession. He requested the committee to cancel this subsection or to modify it. Mr. Rhodes did not believe that the clause questioned the integrity of auditors and that the question was largely one of whether it provides as much protection as can be afforded.

David Young, president Quebec Society of Chartered Accountants, expressed the same view of subsection 17 of section 55 as Colonel Gordon. He emphasized that its effect is to restrict the usefulness of the shareholders' auditors.

F. R. MacMillan asked whether the shareholders' auditor is not appointed by the management of the bank. Mr. Young replied he was appointed by the shareholders but acknowledged that in practice the bank management may appoint the auditors.

Other Opinions on Clause

K. A. Mapp, secretary Ontario Society of Chartered Accountants, stated that he had nothing to add to what Colonel Gordon and Mr. Young had said. He submitted a resolution of the Ontario association requesting elimination of the clause.

C. S. Tompkins, Inspector General of Banks, said that he did not think that the integrity of the professional accountant had been impugned but he thought that it would be useful to the banks to be able to employ their own auditors to look into troublesome accounts. Mr. Tompkins could see no objection to eliminating the section.

Jackson Dodds said that his own bank had been deprived of the services of one of the firms of the highest standing in Canada because of this particular section. He did not think this in the interests of the bank, the company or anyone else.

Morris W. Wilson, general manager The Royal Bank of Canada, said the clause did not work well in practice.

H. B. Henwood, general manager of the Bank of Toronto, said that the shareholders' auditor was prevented from making a special investigation when he got to a certain point and it seemed to him that it was a logical thing to permit the auditor to pursue his enquiry without going to the necessity of getting in other auditors.

R. B. Hanson, chairman of the committee, read a comment by George Edwards, C.A., whom Mr. Hanson designated as "the father of the idea." The latter contended that the motion of the accountants to have the subsection removed was not in good order.

The suggested amendment was handed to the committee by Colonel Gordon and provides that nothing in the former section should prevent any auditor from being retained or employed to enquire into any situation connected with the affairs of the borrower or customer of the bank for its protection. Discussion of the clause was postponed.

Other Clauses Considered

Further consideration of Bill 18. Section 14 concerning permission to commence business was adopted.

Section 18 was also adopted. This gives authority to shareholders, subject to the provisions of the act, to deal with loans to the bank directors of their firms at the annual meeting, and requires the sending of by-laws to shareholders quinquenially.

Section 20 concerning qualification of directors was passed, after a motion to prohibit ministers of the Crown from being directors was declared lost.

Section 21 concerning the election of directors was postponed for further consideration.

Section 29, concerning bank employees, was postponed for further consideration. The committee ordered chartered banks to make a return to the committee showing the classification of bank employees, salaries, average age, pensions, restrictions upon marriage, superannuation, and so on. When this information is available, the section will be reconsidered. An amendment to section 29 proposed by William Irvine, to provide that bank presidents, vice-presidents, general managers and officers shall not be paid more than the prime minister of Canada, was lost.

Section 31, concerning voting by shareholders, was adopted after Mr. Spencer lost a motion providing shareholders should vote by registered post, signifying their own desires as to ballotting.

Section 32 concerning the increases of capital stock, approval of the treasury board and conditions for approval was adopted.

Section 33 concerning allotment of unissued capital stock and offerings of stock to the public was adopted.

Statements Considered

Section 53 was taken under consideration. This section concerns the annual statements of banks, and an endeavor has been made to bring the statement into conformity with the monthly statement. A resolution proposed by William Irvine requesting that banks issue in their annual statements a full list of security holdings was lost.

C. S. Tompkins, Inspector-General of Banks, was examined on the order-in-council passed dated Oct. 27, 1931, allowing banks to value their securities as of Aug. 31, 1931, and which expired March 1, 1932. Mr. Tompkins said this was a precautionary measure at a time of great uncertainty. The extent to which the authority was used, said Mr. Tompkins, was unimportant. He did not think, as far as the shareholders or the public are concerned, it would be wise to publish lists of bank investments.

April 23 Proceedings

On April 26, Mr. Duff proposed for insertion in subsection 17 of section 55 the amendment suggested by Colonel H. D. L. Gordon.

Hon. E. N. Rhodes, Minister of Finance, proposed a minor revision to subsection 20 of section 60 of Bill 18. He also proposed an amendment to the effect that the bank once a year shall make a return of all loans classified according to industries and businesses at a date specified by the treasury board.

Section 21, concerning election of directors, was adopted after a motion to prevent a director of another financial institution from being a bank director was lost.

Section 58 was adopted subject to revision giving the Governor-in-Council power to make such changes in the form of the statement as he may deem expedient.

Section 56 was then considered. C. S. Tompkins testified, this being the section of the act dealing with inspection. Mr. Tompkins explained that a simultaneous audit is something that is physically impossible and is never done. Banks have internal inspectors who make further scrutinies. Then there is the shareholders' audit. There must be two auditors and no two auditors can serve together for a longer period than two years, he said.

THE DOMINION BANK ESTABLISHED 1871

Safety for Valuables

A Safety Deposit Box may be retained in The Dominion Bank at a small rental for your valuable papers—stock certificates . . . bonds . . . mortgages . . . deeds . . . insurance policies . . . your will . . . jewellery, et cetera.

Rentals are as low as three dollars a year. —less than one cent a day.

THE DOMINION BANK
ESTABLISHED 1871

BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

DUN & BRADSTREET OF CANADA LTD.
THE MERCANTILE AGENCY
Successors to
R. G. Dun & Co. — Established in Canada 1856
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Paper Tokens

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For over a century the Canadian Bank Note Company has designed and printed bank notes, bonds, and all manner of monetary documents with such distinctive design and workmanship that any attempt to duplicate them ends in sure and abrupt failure.

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EXPERT and EXPERIENCED Engraving and Printing of Bonds and Debentures, Stock Certificates, Bank Notes, Cheques, Drafts, Postage and Revenue Stamps and other Monetary Documents

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works—OTTAWA
—Branch Sales Offices—
TORONTO MONTREAL

Position of Chartered Banks of Canada as of March 31, 1934, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Balance Due to Dominion Government $	Advances under Finance Act $	Balances Due to Provincial Governments $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere $	Bal. due to other banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorised $	Capital Subscribed $	% Last dividend %	*Loans to Directors and firms of which they are partners $	Average gold and Coin Held $	Average Dominion Notes Held $	Greatest amount of notes in Circ. $
Montreal	35,571,458	14,008,800	9,000,000	6,686,139	124,276,401	382,355,802	60,866,622	2,132,720	1,895,386	4,097,882	21,611	6,080,421	1,601,843	18,868	38,000,000	36,000,000	722,603,859	50,000,000	36,000,000	8	1,073,307	16,210,858	43,744,047	35,871,458
Nova Scotia	12,381,395	1,052,284	3,214,000	674,018	32,377,148	133,301,732	34,718,165	2,153,921	161,448	1,875,261	74,233	5,497,809	258,191	361,630	24,000,000	12,000,000	264,101,239	15,000,000	12,000,000	12	2,776,887	8,746,223	11,052,006	12,381,395
Toronto	6,574,284	141,759	1,500,000	1,026,349	20,598,983	62,447,707		729,772	142,270	915,918	231,300	1,192,097	32,682	4,254	9,000,000	6,000,000	110,587,380	10,000,000	6,000,000	10	1,034,695	382,810	3,314,800	6,574,284
Provinciale	3,848,913	203,048	600,000	69,182	4,071,554	31,974,000		2,048	....	61,374	....	132,384	5,355	6,300	1,000,000	4,000,000	45,974,161	5,000,000	4,000,000	6	639,355	232,877	391,949	3,843,913
Commerce	25,508,181	4,531,118	7,000,000	4,269,600	103,900,054	275,458,260	53,298,531	2,564,712	1,047,067	5,979,831	82,461	13,389,616	....	18,843	20,000,000	30,000,000	547,048,280	50,000,000	30,000,000	8	6,365,781	10,886,000	31,981,000	25,508,181
Royal	32,028,472	4,915,391	9,000,000	9,304,075	121,053,125	264,121,171	167,715,170	1,253,022	381,374	10,428,108	435,190	21,048,673	....	36,252	20,000,000	35,000,000	696,784,294	50,000,000	35,000,000	8	2,276,743	12,391,580	36,041,135	32,028,472
Dominion	6,829,878	347,334	5,956,000	457,211	21,968,393	61,509,524	3,129,316	691,894	102,521	634,943	....	2,724,714	64,266	175,753	7,000,000	7,000,000	118,923,866	10,000,000	7,000,000	10	1,614,644	635,000	1,904,000	6,829,878
Nationale	9,286,179	330,503	2,200,000	1,700,597	15,399,650	78,374,075	1,057,732	706,511	31,741	208,120	....	488,802	396,379	6,823	5,000,000	7,000,000	121,790,747	10,000,000	7,000,000	10	275,550	219,919	928,398	9,286,179
Imperial	8,579,548	588,916	1,590,000	5,200,554	24,188,363	74,076,095	....	1,017,122	358,372	931,143	....	649,789	....	1,561	8,000,000	7,000,000	132,211,467	10,000,000	7,000,000	10	535,980	521,206	3,166,771	8,579,548
Barclays (Canada)	301,845	241,282	84,000	151,860	2,348,697	2,910,170	....	285,489	2,016,993	1,668,221	....	57,793	....	....	500,000	500,000	11,066,362	500,000	500,000	.....	....	11,710	85,783	301,845
Total	140,910,153	26,360,435	40,144,000	29,539,603	470,182,368	1,366,528,536	320,785,536	11,527,211	6,167,072	26,800,810	844,795	51,262,098	2,358,716	630,284	132,500,000	144,500,000	2,771,041,664	210,500,000	144,500,000	.....	16,593,131	50,938,183	132,607,879	140,910,153

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin $	Dominion Notes $	Notes of other banks $	United States and other foreign currencies $	Cheques on other banks $	Balances due from other banks in Canada $	Due from banks in U.K. $	Due from banks elsewhere $	Government securities $	Canadian municipal British and foreign securities $	Railway and other Bonds and Stocks $	Call loans in Canada $	Call loans elsewhere $	Other current loans in Canada $	Other current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $	Real estate other than premises $	Mortgages on real estate $	Bank Premises $	Letters of Credit $	Deposit for note circulation $	In central gold reserves* $	Shares of and loans to controlled companies $	Other assets $	Total assets $
Montreal*	16,275,891	48,561,279	3,099,532	254,030	17,958,231	1,447	3,393,467	10,247,506	256,121,133	31,880,273	8,900,443	6,102,895	41,490,448	188,906,476	8,165,600	5,785,789	42,857,309	3,772,717	483,350	1,110,591	14,500,000	6,080,421	1,589,618	8,000,000	60,004	387,061	738,985,530
Nova Scotia	8,261,289	10,053,060	1,032,739	2,302,463	6,965,097	....	646,229	7,251,249	68,028,038	16,212,467	7,962,033	8,360,732	973,212	85,882,602	12,863,937	296,289	9,321,690	961,663	....	106,306	7,609,420	5,497,809	535,064	1,250,000	2,732,898	109,770	265,116,043
Toronto	363,806	3,823,538	653,965	17,539	4,505,176	....	998,866	1,414,733	31,268,489	6,218,101	701,062	4,782,109	....	44,460,966	....	....	6,009,921	357,630	....	42,043	3,635,385	1,192,097	315,801	630,866	....	....	111,492,100
Provinciale	223,170	299,307	382,000	62,606	1,651,590	2,060,836	2,795	129,997	10,362,786	4,982,117	3,021,165	3,070,622	....	13,275,849	....	....	1,086,123	178,515	....	379,533	2,137,699	132,384	195,400	....	....	85,944	46,309,313
Commerce†	10,204,751	31,655,499	2,219,860	1,033,861	12,530,032	58,766	848,644	15,863,647	102,633,746	30,455,454	11,289,506	20,836,545	31,877,995	165,638,423	16,574,563	8,229,270	32,862,655	3,267,957	588,866	2,563,709	14,856,584	13,389,616	1,350,000	4,000,000	4,021,671	297,477	550,179,288
Royal‡	11,777,305	23,344,333	2,899,618	16,758,612	16,222,885	426	1,429,556	35,488,761	107,486,957	21,601,665	10,512,783	28,793,698	30,455,808	221,183,190	100,275,864	1,976,361	11,926,282	4,079,327	2,699,084	854,482	17,018,149	21,048,673	1,500,000	3,000,000	6,664,538	330,343	699,127,638
Dominion	608,334	3,078,948	859,890	40,690	4,338,037	100	177,736	654,064	24,856,001	4,874,272	2,116,643	7,910,662	1,412,049	54,582,376	448,954	162,315	8,234,292	405,675	2,507,022	21,680	5,939,981	2,724,714	305,800	400,000	....	137,978	119,370,410
Nationale§	898,949	806,096	663,055	52,240	2,970,519	396,847	134,070	433,982	24,375,698	14,597,447	3,497,235	4,956,910	....	41,420,511	52,467	5,459,937	10,384,297	362,485	88,228	600,381	6,087,810	488,802	446,739	2,300,000	....	68,386	122,593,807
Imperial	507,068	3,956,348	745,340	27,084	6,359,130	659,511	822,204	2,668,568	22,300,463	5,684,321	121,417	6,541,328	....	58,402,322	....	4,582,291	9,768,529	424,647	1,225,061	413,878	6,001,615	649,789	15,129	2,100,866	....	171,599	133,572,133
Barclays (Canada)	12,360	99,799	16,460	858	501,565	2,066,191	3,245,769	286,687	2,272,464	184,778	21,127	807,300	....	1,022,237	....	....	....	13,685	187,002	....	450,000	57,793	....	....	....	....	11,074,309
Total	49,132,883	125,680,207	12,572,459	20,449,983	74,013,262	5,274,124	11,699,396	74,439,176	649,805,775	136,690,895	48,143,414	103,102,791	106,209,509	874,774,952	138,381,385	26,492,252	127,451,098	13,824,306	7,678,593	6,092,603	78,236,643	51,262,098	6,513,162	21,681,732	13,489,101	1,738,557	2,784,830,458

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*Of this deposit $5,151,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)
Capital (fully paid) £3,780,192
Reserve Fund £3,780,926
Deposits £59,257,330
General Manager
William Whyte
TRADE WITH GREAT BRITAIN
The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.
LONDON — *City Office:*
3 Bishopsgate, E. C. 2
Head Office:
EDINBURGH
252 BRANCHES IN ALL
Associated Bank:
Williams Deacon's Bank Ltd.
(Members of the London Bankers' Clearing House)

Douglasites Smite Critics

A Selection of Letters From Readers

Defender of Douglas

Editor, The Financial Post:

Re recent article on Douglas Social Credit. Gaitskell's, Durbin's, and many other criticisms, have been adequately dealt with in the columns of the Social Credit press, The New Age and The New English Weekly. If your readers are interested in the subject they should not lose interest because of your article, but should investigate the problem independently and exercise their own judgment.

You state that in the fifteen years Major Douglas has been "explaining his theories" he has not made much progress in that he has succeeded in convincing only (1) a few disciples, (2) certain of the Protestant clergy, (3) unimportant sections of the British press. In regard to (1) you do not mention that these "few" include one out of every fifteen of the population of New Zealand, thousands in Australia, and groups in all parts of England and Scotland, France, Norway and Denmark. In regard to (2) this includes Dr. Hewlett Johnston, Dean of Canterbury, while (3) includes the New English Weekly edited by A. R. Orage, who is considered one of the most brilliant editors of the present day.

You say that in England the intellectuals of Socialist, Communist, and Fascist groups have opposed Douglas on the ground that the A plus B analysis is wrong. Well, I do not know any official reason brought forward by the Communist and Fascist group but it is certain that a plan of extreme individualism (Social Credit) would hardly appeal to groups like these whose policy is forced collectivism and coercive measures. But for the Labor Socialist group, the fact is that they rejected Douglas because his plan "does not call for the nationalization of industry." This is quite a different reason to that given in your article.

Is it not strange that the man whose theories are so utterly wrong (?) should be the one forecaster whose prophecies have come true? Did you hear any orthodox economist in 1923 warning us of this depression? Major Douglas told the Committee on Banking and Commerce (Ottawa 1923): "If you go along the lines you are following at present, and if you continue along those lines for any considerable period of time....I am perfectly certain that you are heading for the most terrific disaster." Of course the depression is only the fringe of the ultimate cataclysm — world war brought about by the insensate struggle for export markets!

You begin one paragraph as follows: "Although it has been ably demonstrated by economists that there is no such deficiency as Douglas suggests ..." You might, with truth, finish your sentence as follows, "yet conditions in Canada are visible evidence that the deficiency does exist."

Finally, one either accepts Douglas or one is driven into the fold of the Socialists who believe that the poor are poor because the rich are rich. In other words, there is sufficient purchasing power but that it is inequitably distributed.

Toronto,

C. V. KERSLAKE,
Dominion Secretary,
The Douglas Credit League
of Canada.

The Douglas Theory

Editor, The Financial Post:

Your article on Douglas Social Credit, in which you claim to have exploded the theories of Major Douglas has been brought to my attention.

You first endeavor to prove that the A+B theorem is wrong, and having satisfied yourself on this score, you immediately lay great stress on the impossibility of the scheme working. Social Credit is based solely on the A+B theory, and if it is fallacious, the cure would then of course be of no value. I am therefore basing my whole arguments on the A+B theory, and will refrain from making any comments on the solution offered.

You have accepted, as beyond doubt, the statement of orthodox economists that purchasing power equal to the costs of the goods produced has been distributed during the course of production. You base this on the contention, that the "B" costs (payments made to corporations) of one concern, become the "A" costs (payments made to individuals) of another concern. To a certain extent you are right. It is of course evident that the "B" costs used in the purchase of raw material, would in the hands of this second concern be distributed in a large proportion as "A" costs. But you do not take into consideration that a large portion of these "B" costs are not paid out for raw material, but are fixed charges on moneys previously expended in the building of the plant, and as such are re-invested thereby creating fresh costs.

To be more elementary, we will assume that a factory has $3,000 which it uses to produce hats. The whole of the $3,000 is expended in the making of these hats, therefore there would be hats to the value of $3,000 on the market. Let us now look at how this money was distributed in the making of these hats. $1,000 is paid out in wages, etc. (A costs). $1,000 is paid out for the purchase of raw material, which we will assume is paid out by the raw material firm in wages only. (More "A" costs). We now have out as purchasing power $2,000, with which to buy $3,000 worth of hats.

The other $1,000, where does it go? We shall see. This is a progressive factory, its management decide to manufacture caps along with hats. So the $1,000, which of course was a charge on hats, and included in the cost of the hats, is now used to produce caps, and is expended in the following manner—$500 goes to purchase machinery with which to make caps, which we will suppose is distributed as wages, or purchasing power. The balance of $500 is paid as wages to the operators of the machinery to make these caps. We now have $2,000 distributed by the hat branch of the factory, plus the $1,000 distributed by the cap branch of the factory, or in other words sufficient money distributed as purchasing power to purchase the $3,000 worth of hats. But, perhaps the orthodox economist can explain where the money is coming from to purchase the caps, which you will see cost $1,000 to produce, and are therefore on the market as $1,000 worth of caps.

These caps are immobilised, and cannot be disposed of, except through drastic price cutting. For proof of this, look around you today.

I trust that you will give this letter the courtesy of space in your valuable paper.

Montreal, Que.

J. W. DEMERS.

Another Douglas Defender

Editor, The Financial Post:

It is a safe course, in any form of public debate, to meet your opponent upon ground upon which he will stand. This course was not followed by your anonymous writer who, in last week's issue made so valiant an effort to blast, with the aid of the innocuous Gaitskell criticism, the contentions and proposals of Major C. H. Douglas, and so to prove that more than 2,000,000 more or less educated people in various parts of the world are unintelligent followers of a chimera.

Starting from the vantage point of all-round denunciation, your writer, describing Douglas as "the world's best known monetary heretic" proceeds to belittle his intellect by inferring that, mentally, beside the Gargantuan brain of J. M. Keynes, that of Major Douglas, would resemble the Archbishop of Canterbury compared with a Borneo witch doctor. Undoubtedly clever rhetoric and calculated to fulfill its designed mission, but such innuendo is scarcely likely to evoke applause from men like Lord Semphill, Lord Melchett, the Marquis of Tavistock, Sir Maurice Jenks, Eamonn de Valera, F. Marshall Hattersley, Prof. A. R. Irvine (25 years Dean of Economics at Sydney University) and a thousand others, to say nothing of scores of equally famous Canadians, all of whom, after intelligent examination of the Social Credit, maintain "There is something in what Douglas says."

I have closely examined all the major criticisms of the Douglas theories so far published, including that of Gaitskell, and without exception, each one is based upon (a) a misconception of what Douglas proposes; or (b) an implicit acceptance of man-made economic convention (which can be changed) as inexorable economic law.

Social Credit is a mechanism, not a political reform; it seeks not to impose a utopia upon Canada, but to enable every worthwhile Canadian to achieve the consummation of his legitimate desires. Surely a laudable aim, and worthy of, at least, intelligent consideration.

Vancouver,

W. A. TUTTLE.

Foreign Exchange Markets

THERE is almost nothing new to be added to recent remarks in this column on the broad aspects of foreign exchanges. The Canadian and American dollars continue to move almost as one with a slight premium on Canadian funds. This would indicate a continuation of flow of American capital to Canada and increased Canadian exports of goods, especially metals and paper, to the United States.

The pound sterling has held firm above 62 per cent of the former parity measured by the London price of gold bullion. Sooner or later this sterling level is expected to be adjusted downwards. In the meantime, however, London is swamped with cheap money on deposit from abroad. This is believed to be a major factor in sustaining the pound. It is also an influence tending to strengthen the Canadian dollar, according to detailed studies of economists. If and when the pound weakens, in terms of New York, the Canadian dollar is expected to follow a similar trend. On the other hand, a weakening of New York funds would also affect the Canadian dollar. Our currency moves as do these two, it appears.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par	Apr. 24	Apr. 25	Apr. 26	Apr. 27	Apr. 28	Apr. 30
	$	$	$	$	$	$	$
U.S. dollar, High	.5906	99 11/16	99 15/16	99¼	99 13/16	99 11/16	99 11/16
Low	.5906	99 7/16	99⅞	99 11/16	99 11/16	99½	99 7/16
1933 High	1.000	1.13½	1.15¼	1.16⅛	1.16¼	1.16¼	1.14½
Low	1.000	1.13	1.14⅛	1.14⅞	1.15½	1.14⅞	1.14
U. K. pound	4.8665	5.13½	5.13	5.13	5.12½	5.12¾	5.10½
Argentina	0.9648	0.2481	0.2422	0.2336	0.2378	0.2399	0.2391
Australia	4.8665	4.0849	4.0819	4.0997	4.0763	4.0790	4.0717
Austria	0.1407	0.1913½	0.1913	0.1908	0.1910	0.1907	0.1903
Beligum	0.1392	0.2355	0.2348	0.2352	0.2350	0.2347	0.2340
Brazil	0.1963	0.0900	0.0902	0.0902	0.0900	0.0899	0.0897
Czechoslovakia	0.0296	0.0420	0.0417¼	0.0419	0.0418	0.0417	0.0417
Denmark	0.2680	0.2294	0.2292	0.2292	0.2290	0.2291	0.2281
France	0.0392	0.0664	0.0662	0.0664	0.0663	0.0662	0.0660
Germany	0.2382	0.3937	0.3936	0.3970	0.3957	0.3958	0.3947
Greece	0.013	0.095½	0.095½	0.095½	0.095½	0.095½	0.095½
Holland	0.4020	0.6803	0.6789½	0.6806	0.6798	0.6788	0.6773
Hungary	0.1749	0.2975	0.2976	0.2981	0.2976	0.2967	0.2961
India	0.3650	0.3917	0.3920	0.3920	0.3913	0.3913	0.3900
Italy	0.0526	0.0855	0.0852	0.0856	0.0854	0.0853	0.0851
Japan	0.4985	0.3065	0.3066	0.3066	0.3060	0.3062	0.3056
Jugoslavia	0.1929	0.0229	0.0228	0.0229	0.228¾	0.228½	0.0229
New Zealand	4.8665	4.1012	4.0982	4.0959	4.0925	4.0954	4.0880
Norway	0.2680	0.2581	0.2577	0.2581	0.2577	0.2579	0.2564
Poland	0.1122	0.1913	0.1913	0.1907	0.1909	0.1907	0.1908
S. Africa	4.8666	5.1248	5.1210	5.1182	5.1139	5.1175	5.1082
Spain	0.1929	0.1375	0.1372	0.1375	0.1374	0.1372	0.1369
Sweden	0.2680	0.2649	0.2647	0.2649	0.2645	0.2645	0.2633
Switzerland	0.1930	0.3256	0.3251	0.3261	0.3255	0.3550	0.3243
Hong Kong	0.5422	0.3782	0.3705	0.3695	0.3694	0.3709	0.3652

Public Utility Earnings

Winnipeg Electric Co.

	1934	1933	Incr.
March:	$	$	$
Gross	474,100	468,156	5,944
Oper. exp. & deprec.	330,453	338,685	*8,231
Net	143,647	129,471	14,176
Fixed chgs., etc.	112,191	113,419	*1,228
Net income	31,456	16,052	15,404
3 Mos. ending Mar.:			
Gross	1,410,165	1,423,624	*13,459
Oper. exp. & depr.	987,702	1,015,337	*27,635
Net	422,463	408,287	14,176
Fixed chgs. etc.	333,263	342,295	*9,033
Net income	89,200	65,992	23,209

*Decrease.

Railway Earnings

Canadian National Railways

	1934	1933	Incr.
March—	$	$	$
Op. rev.	14,278,648	11,399,215	2,879,433
Op. exp.	12,679,689	11,654,522	1,025,167
Net rev.	1,598,959	*255,307	1,854,266
Aggregate to Mar. 31:			
Op. rev.	37,366,442	30,578,027	6,788,415
Op. exp.	37,301,439	34,601,270	2,700,169
Net rev.	65,003	*4,023,243	4,088,246

*Deficit.

Canadian Pacific Railway

	1934	1933	Incr.
March—	$	$	$
Gross earn.	9,946,321	8,800,156	1,146,165
Work. exp.	8,427,391	7,922,660	504,731
Net profits	1,518,929	877,495	641,433
Three months:			
Gross earn.	27,487,171	23,572,705	3,914,466
Net profits	3,226,439	1,297,479	1,928,960

Insurance For Buyer and Seller

FIRE SPRINKLERS MOST EFFICIENT IN FORTY YEARS

Past Year Showed Best Record of Performance Since 1897

ANALYZE 66,000 FIRES

Of This Total Sprinklered Equipment Proved Unsatisfactory in Only 2,166 Cases

Eloquent testimony to the efficiency of the automatic sprinkler in checking and eliminating fires is seen in the 38th annual tabulation of automatic sprinkler equipment made by the National Fire Protection Association. Its membership embraces both Canada and the States.

For 1933-4 the association found the record of sprinkler efficiency to have been 97.4 per cent, the highest recorded in any year since 1897. Total number of fires analyzed during the year was 2,900 bringing a cumulative total since the record was first compiled to 65,900.

Only 66 Unsatisfactory

Reason for the improvement in the record is presumed to be due in part to the same causes which have operated to reduce fire losses generally during the past year. Increased care in sprinkler maintenance is also reflected.

Out of the 2,900 fires on which the report is based, the record of performance of sprinkler equipment was deemed unsatisfactory in 66 cases. The great bulk of these (one-third of the total) were due to the water being shut off. In the 38 years since the record was first compiled only 2,166 or 4 per cent of fires in sprinkler properties were attributed to unsatisfactory sprinkler equipment, and of this total 32 per cent of the unsatisfactory performance was traced to the water being shut off for various reasons.

The 1933 record shows that for 76.9 per cent of total cases analyzed, the fire was practically or entirely extinguished by sprinklers; in 20.5 per cent of the cases the fire was held in check, while only 2.6 per cent were reported as unsatisfactory.

220 Classifications

The record of the performance of sprinklers over the year period is analyzed by the association according to some 220 classes of occupancy. Of this total, no less than 48 occupancy classes report their sprinkler equipment in the event of fire to have been a full 100 per cent satisfactory since the record was first compiled in 1897.

A tabulation of the major groups for which the record is available with the record of performance in each case, 1897, follows:

Record of Sprinkler Performance 1897-1933

	No. of Fires	% Satisfactory	% Unsatisfactory
Automobile mfg. plants	511	95.9	4.1
Auto body mfg.	268	90.7	9.3
Bakeries	252	96.9	3.1
Candy factories	337	6.8	3.2
Carpet & rug mills	332	96.6	3.4
Chemical & white lead works	337	93.2	6.8
Clothing manuf.	2,725	99.1	.9
Cordage works	404	86.2	13.8
Cotton mills	9,524	98.8	1.2
Cotton warehouses	497	91.1	8.9
Departmental stores	951	97.6	2.4
Drug manuf. & warehouses	336	98.2	1.8
Dry goods stores	455	98.9	1.1
Drying, bleaching, finishing	517	96.3	3.7
Electrical appliance manuf.	754	98.4	1.6
Foundries	410	95.2	4.8
Fur works	234	98.3	1.7
Furniture factories	1,556	93.0	7.0
Garages	838	97.7	2.3
Groceries	276	96.4	3.6
Hat factories	562	96.4	3.6
Jewellery factories	248	97.2	2.8
Knitting mills (full process)	981	96.9	3.1
Laundries	225	96.9	3.1
Leather working	288	98.3	1.7
Machine shops & works	667	95.6	4.4
Mattress factories	911	98.1	1.9
Mercantile (misc.)	1,318	98.1	1.9
Metal workers	2,016	95.9	4.1
Miscellaneous	585	95.9	4.1
Musical instrument factories	233	97.0	3.0
Packing houses	294	97.6	2.4
Paint & varnish works	474	96.3	3.7
Paper mills	1,335	91.0	9.0
Paper working	536	97.6	2.4
Printing & lithographing	1,452	98.4	1.6
Pywaylin plastic mfg., fabric	385	90.9	9.1
Restaurants	239	98.8	1.2
Rubber mills	532	95.0	5.0
Saw & planing mills	287	73.1	26.9
Shoddy mills	415	94.4	5.6
Shoe factories	1,320	96.4	3.6
Silk mills	232	96.6	3.4
Stamping & sheet metal	306	94.2	5.8
Tanneries (upper leather)	225	91.6	8.4
Tenant manuf.	2,189	96.2	3.8
Warehouses	661	95.4	4.6
Waste & batting mills	643	95.4	4.6
Waste paper & rug shops	398	95.0	5.0
Weaving mills	289	97.2	2.8
Woodworkers:			
Interior woodwork	382	86.3	13.7
Box factories	388	90.2	9.8
Miscellaneous	325	94.1	5.9
Sash, door & blind	238	89.9	10.1
Hard wood turning	306	94.7	5.3
Woollen mills	1,708	95.5	4.5

Insurance Inklings

GEORGE A. EWART, of Regina, has been appointed manager of the Canadian division of the Rain and Hail Insurance Bureau. Mr. Ewart was formerly commissioner of the Regina Board of Trade.

ARTHUR S. BOURINOT, B.A., has been appointed manager of the claim division of the Metropolitan Life in Canada, succeeding the late Roy W. Reed.

W. H. STEVENS has been appointed manager of the ordinary branch of the London Life at Edmonton. He was formerly assistant district manager at Winnipeg.

A. K. KEMBAR has been appointed New Brunswick provincial manager for the Dominion Life. His headquarters will be at Saint John, N.B.

EDWIN G. CASS has been appointed Manitoba branch manager for the Excelsior Life with offices in Winnipeg.

MARSHALL B. DALTON was recently elected president of the Boston Manufacturers Mutual Fire Insurance Co. Mr. Dalton was formerly vice-president.

J. G. GRAHAM, C.L.U., has been appointed manager for Southern Alberta for the London Life.

H. J. BONOIT, Montreal field supervisor, has been appointed district supervisor of Montreal brokers, for the London Life.

Annuity Sales in Canada Reach New High Mark

Receipts Up 160% from 1932 — Canada Life Leads in Dominion — Sun Life Sales Highest Abroad

Canada Life Assurance Co. again leads all companies doing business in the Dominion in respect of annuity sales according to figures compiled by The Financial Post from the 1933 abstract returns of the federal insurance department at Ottawa. The figures include only companies with a federal registry. In 1933, total consideration received for annuities in the Dominion was 160 per cent higher than the corresponding figure for the previous year. The total was $7,800,000 — the largest sum ever expended by Canadians among regular life companies for this type of contract. To this must be added also the large amount of money received annually by the federal Government annuity branch and which for 1933 was close to the $6,000,000 mark.

26 Companies Gain

A feature of the 1933 returns is that out of 32 federal companies writing annuity business in Canada, all but 6 showed a higher income from this source in 1933 than in 1932. Some of the gains were spectacular, thus many companies such as Sun Life, London Life, Great West, Manufacturers, Prudential of Eng., Dominion, Imperial, and Crown Life, more than trebled their last year's volume. Other companies such as Continental and Excelsior which wrote no annuity business a year ago reported a nice volume for 1933. Canada Life volume was up from $1,000,000 to $2,700,000.

Sales Abroad Soar

Another important trend of the annuity business was the extension of annuity sales by Canada companies outside Canada. Nine Canadian companies participated in this business last year and reported a total consideration received of no less than $21,169,000 as compared with but $15,874,000 a year ago. The 1933 figure compares favorably with the $28,000,000 of volume reported for 1931.

Outside Canada, Sun Life in 1933 continues as the largest underwriter of this type of contract with $11,550,000 of business to its credit, or more than half the entire Canadian total. Canada Life retains its position in second place having made substantial strides in this field in the past two years. All other companies except the Confederation report higher volume of annuity receipts abroad than in 1932, the Dominion Life having received some income from this source for the first time.

Comparative figures for the past two years follow:

CONSIDERATION FOR ANNUITIES
(Including Group)
(Federal Licensed Companies Ranked in Order of 1933 Business)
In Canada

	1933	1932
	$	$
Canada Life	2,712,145	1,034,248
Sun Life	1,377,317	391,786
London	705,202	180,373
Metropolitan	680,590	540,396
Great West	386,686	36,059
Mutual of Canada	327,758	141,103
Manufacturers	308,999	48,794
Confederation	314,279	154,412
North American	220,609	123,506
New York	203,617	70,238
Prud. of London	83,679	16,719
Dominion	83,212	14,444
Imperial	80,451	9,245
Crown	59,218	10,165
Monarch	43,781	67,995
Northern	39,324	15,299
Travelers	37,372	60,797
Prud. of America	27,015	49,248
Standard	25,980	15,172
Continental	20,963	30
Excelsior	17,361	......
Sovereign	13,278	15,080
Aetna	9,490	8,482
Equitable	8,200	7,430
Montreal	7,500	2,776
Maritime	3,369	5,000
Mutual of New York	2,732	2,776
Saskatchewan	2,209	1,704
Dominion of Canada	1,348	......
National	1,297	306
Sauvegarde	100	......
U.S. Equitable	58	......
Total, 1933	7,805,109	3,023,533
1932	3,023,533	
1931	3,404,341	
Out of Canada		
Sun	11,550,693	7,058,837
Canada	7,461,903	6,737,110
Confederation	1,240,936	1,535,997
Manufacturers	636,645	407,546
Imperial	167,215	101,447
Crown	80,912	20,122
Great West	19,333	5,715
North American	8,149	7,099
Dominion	3,440	......
Total, 1933	21,169,226	15,873,873
1932	15,873,873	......
1931	28,120,604	......

The continent-wide trend toward more annuities is also reflected in a special survey recently conducted by the Sales Research Bureau of Hartford. This showed that annuity income receipts on this continent have increased something over 158 per cent since 1930. Included in the survey were 28 companies which have sold the bulk of the annuity business in Canada and the United States in the years 1930 to 1933 inclusive.

The actual amounts of new annuity premiums collected by these companies were: In 1930, $67,220,000; in 1931, $133,878,000; in 1932, $97,109,000, and in 1933, $177,385,000.

Receipts up 158 Per Cent

The total premium income from annuities, including renewal premiums, was: In 1930, $83,593,000; in 1931, $156,511,000; in 1932, $125,401,000, and in 1933, $214,909,000. The 1933 annuity premium income thus represents a gain of 158 per cent over 1930.

As might be expected, this absolute increase was brought about by a relative increase in the proportion of annuity premium income to the total premium income (exclusive of group and industrial insurance premiums) for these companies. This was partly because premiums from ordinary life insurance were falling off. Annuity premiums constituted the following percentages of total premiums: In 1930, 4.2 per cent; in 1931, 7.3 per cent; in 1932, 6.3 per cent, and in 1933, 10.9 per cent.

Fewer Single Annuities in 1932

The decline in 1932 was entirely due to a 33 per cent decrease in new single premium annuity income. The new annual premium annuity income, on the other hand, though comparatively small, has enjoyed an uninterrupted march upward, as follows:

Annual Premium

	New	Renewal
1930	$6,151,000	$16,373,000
1931	9,978,000	22,633,000
1932	13,118,000	28,292,000
1933	14,691,000	37,524,000

Single Premium

1930	$59,937,000
1931	122,306,000
1932	82,084,000
1933	159,524,000

The total premium income for new annuities was divided between the two classes, annual and single premium, in the following percentages:

	1930	1931	1932	1933
	%	%	%	%
Annual	9.3	7.5	13.8	8.4
Single premium	90.7	92.5	86.2	91.6

Corroon, Reynolds Group Wrote $519,389 in 1933

A fire insurance premium volume of $519,389 is reported for the Corroon & Reynolds group of Montreal, during 1933, according to preliminary abstract figures released last month by the federal insurance department at Ottawa.

This group under the management of J. Marchand, includes the Merchants and Manufacturers; the American Equitable of New York and the New York Fire. The three companies together show an earned fire loss ratio for year of 55.49% as compared with 69.46% in 1932. In 1932 the three companies reported a slightly higher premium volume of $542,000.

In the special analysis of fire insurance results published by The Financial Post of April 7, the figures for New York Fire Insurance Co. were omitted from the Corroon & Reynolds group in error. This gave a group total for fire premiums written, of only $342,600 instead of $519,000. It also showed the group with a slightly higher loss ratio (57.39%) than the actual figure of 55.49%.

Comparative figures for the three companies follow:

Corroon & Reynolds Group (Fire Experience) 1933.

	Net prems. written 1933	Earned Loss Ratio 1933	Earned Loss Ratio 1932
	$	%	%
Merch. & Manuf.	164,396	59.71	74.45
American Equitable of N.Y.	178,204	54.52	55.84
New York Fire	176,789	52.12	72.70
	519,389	55.49	69.46

In the Mail

The Federal Insurance Bills

Editor, The Financial Post:

The leading article on page 13 of your issue of April 21 dealing with the subject of the insurance bills at Ottawa, voiced opinions in violent conflict with the seasoned judgment and the cumulative experience of the established insurance interests in Canada. Surely it must occur to you that the unanimous opinion of the business ought to carry some weight, particularly when it is realized that we rarely reach unanimity; and in so far as the public interest, it will readily be admitted by any responsible group of insureds that their interests have always been zealously guarded by brokers.

The proposal is to let down the standards respecting the American mutuals and English Lloyds'. You also suggest that, to remove the discrimination, these standards be let down with respect to the British company which is able to meet the "rigid requirements." Dominion legislation heretofore in effect, has set a standard for all companies, of solvency, not to ensure that the big companies would be proved to be strong, for this is an accepted legend, but to compel the adherence to that standard of the many weak companies who enter the country, and whose departure is a matter of statistical record.

If Lloyds are so strong and powerful, financially; if they have made a deposit of $250,000 in order to do business in Illinois, then let them enter in the usual way, like all the other companies have entered. Let there be fair play to all and special privileges to none.

In the words of G. D. Finlayson, the interests represented by the desire to license the American mutuals and Lloyds amount to one half of one per cent of the total insurance volume in Canada. These interests comprise a small group of Canadian manufacturers who have loudly clamored for all the tariff protection for their own business, but who chose to buy their insurance (prior to 1925) unlicensed. The desire to license these mutuals was only to evade heavy taxes on unlicensed insurance by the Dominion and the provinces.

Many of these manufacturers have made illegal investments in these American mutual companies, under the guise of (premium) deposits, although no authority may be found in the letters of incorporation of these companies, empowering their officers to use the company's funds in this way. A careful analysis of the financial statement of some of these mutuals would reveal that they have suffered heavy capital losses in their investment portfolio, and if some of these companies were wound up today, the subscribers (our manufacturers) would in many cases suffer heavy losses.

You seem to lay great stress on the weakness of the legal position of the Dominion, respecting the regulation of the business, as exemplified by the two Privy Council decisions. But public opinion in Ontario is in no mood for any further waste of public funds in the quest of further decisions on a subject, which for over fifty years, prior to 1925, lay dormant, the provinces having "stood by and consented" to Dominion regulation, as being centralized, economical and efficient.

The best interests of the public in Ontario would be served by a hoist to these two bills; the appointment of a Committee representing all interests, to make a comprehensive inquiry of the requirements of the situation, with a view of reconciling the Dominion—Provincial differences; after which (consent) legislation can be passed recognizing the necessities of the public and eliminating duplication.

—JOHN B. SAMPSON,

Kingston, Ont.

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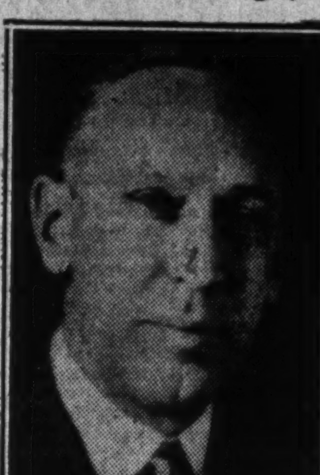

J. VICTOR OWEN

Newly appointed manager for Canada of the Guardian Assurance Co. of England. He succeeds Bertram Hards, who has retired.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Commercial Life

Will you give me some information on the Commercial Life Assurance Co. of Canada?

How does this company compare with other companies?

Commercial Life of Canada is a small but progressive life company with head office at Edmonton which has been doing business in Canada since 1913.

Having its centre in an area which has been largely free from many of the worst phases of the depression, as affecting agriculture, it has been able to make a good showing in respect of business in force and also its reserve and asset figures. Furthermore, at the end of 1933, it was able to increase its free surplus to $104,000 which is a creditable figure in comparison to total assets of $1,839,000.

Another favorable factor is the healthy way in which the company has reduced expenditures in order to meet declines in premium income and also increased demands on the part of policyholders for cash surrender values, etc.

In actual size, the company is not very large but this has not prevented it making good progress in recent years.

Key Life Jurisdiction in U. S. Has $82,000,000,000 in Force

Life insurance companies operating in New York State show an increase in assets of $311,057,971 during 1933, total assets on January 1, 1934, being $18,248,709,842, according to official figures issued by the insurance department of that state. The figures include the experience of the half dozen Canadian companies licensed to operate there.

Policies issued, revived and increased by these companies last year totalled $10,840,508,152. The amount of surplus of unassigned funds came to $642,732,769, an increase of $37,231,677. Premium income was $2,901,874,725, which is about $110,000,000 less than 1932, while claims paid came to $1,017,708,238, an increase for the year of over $2,000,000. Dividends paid to policyholders totalled $484,405,277. Lapsed, surrendered and purchased policies totalled $1,177,139,956, an increase for the year of over $40,000,000.

Insurance in force at the end of 1933 was $82,819,227,097, a decrease for the year of $3,500,000,000. Of the whole amount, $14,500,000,000 were industrial.

Important Papers Heard By Winnipeg Actuaries

Actuaries Club of Winnipeg held their final meeting of the season recently at which the members discussed a topic presented by S. Shannon, F.A.S., F.A.I.A., of The Great-West Life Assurance Company, on "Should a company encourage the sale of policies in which the investment element predominates" and a paper by J. Turnbull, F.A.S., A.I.A., actuary of the Sovereign Life on "The Actuary and his activities."

A paper presented at the previous meeting by M. D. Grant, F.I.A., managing director of the Sovereign Life on "Canadian Life Tables from Census Returns" has been accepted by the Actuarial Society of America for presentation at the Spring meeting to be held in New York. The paper will be published in the May number of the "Transactions," the official organ of the Society.

Great West Life Make Building Changes in 'Peg

Work has started on extensive alterations to the two-story building of the Great-West Life Assurance Co. adjoining their head office building in Winnipeg.

When completed, the building will house the whole of the Winnipeg branch, the premium payment and collection office being on the ground floor and the agency office on the second floor.

New Licenses

..Prudential Assurance Co. has been granted a certificate of registry authorizing it to transact, in Canada, the business of insurance against international or other damage to, or loss of, property of any kind, real or personal, in addition to the classes for which it is already registered.

Obituary

George E. Moberly, well known a decade ago as Canadian manager of the Northern Assurance Co., and a former president of the Canadian Fire Underwriters' Association, died recently in Montreal in his 69th year. He retired from active business in 1923 owing to ill-health.

DAD'S JOB

A father's duty is not ended when, through life insurance, he has provided a capital sum for his family in the event of his death.

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PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00

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Quebec Societe de Prets Profits Higher in 1933

Société de Prets et Placements de Québec earned $19,690, after taxes in 1933, compared with $5,456 in 1932, the recently issued financial report reveals. This amounted to 2.5 per cent on the capital stock of $800,000, on which four per cent in dividends was paid, compared with 5½ per cent in 1932. The balance sheet shows a reduction in mortgage loans and an increase to $525,000 in properties held. Comparative figures follow:

	Reserve fund	Profits	Earned	Div.
	$	$	%	%
1933	531,896	19,690	2.5	4
1932	566,914	5,456	0.6	5½
1931	570,000	72,877	9.1	8+1
1930	570,000	73,913	9.2	8+1
1929	570,000	77,622	10.0	8+1

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SALES ENGINEER, 38, CANADIAN, with executive sales experience in the engineering and mechanical equipment field, is looking for strenuous job with company who are organizing for greater and more profitable sales. Has studied for years, why and how equipment sells and has proved that if simple, fundamental sales principles are applied logically but with some aggressive ingenuity, enquiries, customers and goodwill can be developed. Not interested in organization believing in high pressure methods. Box 286, Financial Post, Toronto.

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CHARTERED ACCOUNTANT, UNIVERSITY graduate, aged 29, desires executive position. Thoroughly experienced in taxation returns, company law, costing, auditing; preparation of financial statements and reports, investigations, installation of systems, and office management. Excellent references. Box 290, The Financial Post, 481 University Ave., Toronto.

Executive Available

QUALIFIED ACCOUNTANT, HOLDING Canadian Accountancy degree, desires change. Executive Experience as Secretary - Treasurer. Thorough knowledge accounting, auditing, and business management. Apply Box 292, The Financial Post, 481 University Ave., Toronto, Ont.

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Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND NO. 187.

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1934.

By order of the Board.
M. W. WILSON,
General Manager.
Montreal, Que., April 13, 1934.

The Canadian Bank of Commerce

Dividend No. 189

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1934, and that the same will be payable at the Bank and its Branches on and after Friday, 1st June next, to shareholders of record at the close of business on the 30th April, 1934. The Transfer Books will not be closed.

By Order of the Board.
S. H. LOGAN,
General Manager.
Toronto, 20th April, 1934.

Borden's

COMMON STOCK DIVIDEND No. 97

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable June 1st, 1934, to stockholders of record at the close of business, May 15, 1934. Checks will be mailed.

THE BORDEN COMPANY.
E. L. Noetzel, *Treasurer.*

Dividend Number 253
Extra Dividend Number 12

Hollinger Consolidated Gold Mines Limited

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared on the Capital Stock of the Company, payable on the 21st day of May, 1934, to shareholders of record at the close of business on the 4th day of May, 1934. The extra dividend is being paid out of 1933 surplus profits.

Dated the 27th day of April, 1934.
I. McIVOR,
Assistant-Treasurer.

Royalite Oil Company, Limited

Notice of Dividend No. Twelve

Notice is hereby given that a dividend of 50c per share has been declared payable to the shareholders of the Company of record as such on the books of the Company at the close of business on Friday, the 18th day of May, 1934, and that the Dividend will be payable on or after the 31st day of May, 1934. Dividend cheques will be mailed from the office of the Company on the 31st day of May, 1934.

The Register of Transfers will be closed from the close of business on the 18th day of May, 1934, until the opening of business on Monday, the 28th day of May, 1934.

By Order of the Board,
T. E. BURNS,
Secretary-Treasurer.
Calgary, Alberta, April 23rd, 1934.

NOTICE

International Petroleum Company, Limited

Notice to Shareholders and the Holders of Share Warrants

NOTICE is hereby given that a semi-annual dividend of 56c per share, and a special disbursement of 44c per share, both in Canadian currency, have been declared, and that the same will be payable on or after the 1st day of June, 1934, in respect to the share specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 41 at:—

THE ROYAL BANK OF CANADA
King & Church Streets Branch,
Toronto, Canada.

The payment to Shareholders of record at the close of business on the 15th day of May, 1934, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 31st day of May, 1934.

The transfer books will be closed from the 16th day of May to the 1st day of June, 1934, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income Tax Act of the Dominion of Canada having been amended, effective April 1st, 1933, to provide that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada, the above mentioned tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the 5% tax when paying coupons to or for account of non-resident shareholders. Ownership certificates will be required by the paying Bankers in respect of all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the 5% Canadian tax withheld at source is allowable against the tax shown on their United States Federal Income tax return. If it is desired to claim such credit the United States tax authorities require evidence of the deduction of said tax. In order to secure such proof Ownership Certificates (Form No. 601) must be completed in duplicate and the Bank cashing the coupons will endorse both copies with a certificate relative to the deduction and payment of the 5% tax and return one Certificate to the shareholder. If forms No. 601 are not available at local United States Banks, they can be secured from the Company's office or the Royal Bank of Canada, Toronto.

NOTE:—The Company has adopted the policy of paying dividends semi-annually instead of quarterly as heretofore.

Holders of bearer share warrants who have not yet exchanged talons for a new supply of dividend coupons (Nos. 41 to 60) should detach talons and forward them by registered mail, with return address, to the Secretary, International Petroleum Company, Limited, 56 Church Street, Toronto, Canada.

By order of the Board,
J. R. Clarke,
Secretary.

56 Church Street,
Toronto 2, Canada.
26th April, 1934.

DIVIDEND NOTICES

BLUE RIBBON CORPORATION LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share on the preference shares of the Company has been declared, payable on and after May 1st, 1934, to shareholders of record on April 28th, 1934.

DATED AT TORONTO this 26th day of April, 1934.
J. C. JAMIESON,
Secretary.

Imperial Oil Limited

DIVIDEND

Notice to Shareholders and the Holders of Share Warrants

Notice is hereby given that a semi-annual dividend of Twenty-five Cents (25c.) per share and a special disbursement of Fifteen Cents (15c.) per share, both in Canadian currency, have been declared and that the same will be payable on or after the first day of June, 1934, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of Coupons No. 41 at any Branch of:

THE ROYAL BANK OF CANADA, in Canada.

The payment to Shareholders of record at the close of business on the 15th day of May 1934, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 31st day of May, 1934.

The transfer books will be closed from the 15th day of May to the 31st day of May, 1934, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income War Tax Act of the Dominion of Canada having been amended, effective April 1st, 1933, to provide that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada the above mentioned tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the 5% tax when paying coupons to or for account of non-resident shareholders. Ownership Certificates will be required by the paying Bankers in respect of all dividend coupons presented for payment by residents of Canada.

Stockholders resident in the United States are advised that a credit for the 5% Canadian tax withheld at source is allowable against the tax shown on their United States Federal income tax return. If it is desired to claim such credit on the return the United States tax authorities require the receipt or certificate of the Canadian Commissioner of Income Tax for such payment. In order for the taxpayer to secure such proof from the Canadian Commissioner it is necessary for the United States stockholder to submit, at the time of cashing his dividend coupon, an ownership certificate on Canadian form No. 601. Only in this way can the Canadian Commissioner identify the withheld Canadian tax with the specific recipient of the dividend in order to furnish the necessary individual receipt. If Forms No. 601 are not available at local United States banks, they can be secured by requesting the same from the Company's office or at any branch of The Royal Bank of Canada, in Canada.

Note: The Company has adopted the policy of paying dividends semi-annually instead of quarterly as heretofore.

Holders of Bearer Share Warrants who have not yet exchanged talons for a new supply of dividend coupons (Nos. 41 to 60) should detach talons and forward them by registered mail, with return address to the Secretary, Imperial Oil Limited, 56 Church Street, Toronto, Canada.

BY ORDER OF THE BOARD.
F. E. Holbrook,
Secretary.
56 Church Street,
Toronto, Ont.

Wheat

From Our Grain Correspondent

Southern Prairies Need Rain

DURING the past week high winds prevailed across most of Saskatchewan and southwestern Manitoba. Large tracts of light soils in central and southern Saskatchewan and southwestern Manitoba were drifting and blowing, particularly summer-fallow, the storm being as severe as in any recent year, according to the third crop report of the W. Sanford Evans Statistical Service. As result, surface moisture is evaporating rapidly, some seed has been blown out of the ground, and seeding is delayed.

Rainfall during the week was negligible in Alberta and Saskatchewan and light in Manitoba. Precipitation is now needed across the southern Prairies to compensate for drying winds and to assist germination. Moisture conditions still remain fairly good to excellent in northern areas. Seeding is advancing rapidly in southern Alberta and in Manitoba and is becoming fairly general in most southern areas except where drifting and blowing are holding up operations. Shortage of seed in "drought" areas appears to be curtailing wheat acreage.

Seeding is becoming general in southern Manitoba, but has been delayed in the southwest by drifting and some shortage of seed. Seeding is less advanced in Saskatchewan than in either Manitoba or Alberta. Many farmers have started, but operations are not likely to be general for a few days yet in the centre and south, and probably not until the first week of May in districts where moisture is plentiful. Delays are being caused by drifting. Southern Alberta has seeded more than 25 per cent of its wheat crop to date. In the central districts operations are becoming general, and northern parts will be getting under way shortly.

* * *

Government Holds Cash Wheat

THE first of May saw 29,000,000 bushels of wheat delivered on the option through the clearing house, the greatest volume of deliveries made in any day in the history of the trade. Both number one Northern and number two Northern were delivered and the deliveries represented nearly one half of the total quantities of these two grades in store at the terminal elevators at the head of the lakes.

Some millions of bushels undoubtedly went into the hands of exporters, who had accumulated May contracts in advance of the opening of navigation and there was some duplication through re-deliveries, but a general estimate is that about 20,000,000 bushels went into the hands of the Government agency, which thus for the first time in many months becomes a heavy holder of cash wheat instead of carrying its operation entirely in the form of future contracts. To a large extent the heavy deliveries represent unwillingness on the part of elevator companies to continue carrying wheat at the narrow spreads available in the futures market.

Added to that is the desire on the part of elevators with heavy holdings of number two Northern wheat consisting largely of Garnet wheat to get rid of such wheat before new grading becomes effective establishing separate classification for Garnet wheat. To a considerable extent also there is reflected the small amount of export business done through Vancouver during winter months, which means that grain from many country elevators which otherwise might have gone out through Vancouver will be forwarded for shipment by the eastern route.

* * *

Will Not Hold Long

IT IS not anticipated that the government agency will continue to carry the cash wheat it has acquired in terminal elevators at the head of the lakes, where it now becomes liable to the full storage charges of one-thirtieth of a cent per bushel per day and the expectation is that large quantities will be shipped east as soon as navigation opens and be stored either in eastern elevators or on vessels until required by exporters. Vessel owners are greatly pleased at the prospect of a heavy business and of being able to maintain the lake rate to Montreal at six cents a bushel, at which they have already contracted for a large amount of space.

* * *

Country Movement Likely

MORE grain will be moved forward from the country as rapidly as possible to replace lake head terminal space emptied at the opening of navigation, in anticipation both of further deliveries to be made on the May contract before the end of the month and in preparation for heavy deliveries which may have to be made on the July contract if the government agency continues its policy of taking cash wheat. The full implications of the changes which have taken place in that policy are not yet clear but it is believed that the agency in question will confine its dealings in cash wheat to moving it to eastern positions and will not directly engage in the business of overseas exporting. The possibility is foreseen, however, that before the end of July a large part of the actual wheat in Canada at, and east of, Port Arthur will be owned by this agency, placing it in a position of exercising control of spreads between prices of different grades as offered overseas, which may be a necessary part of the arrangements to be put into effect if the price control suggestions of the Rome conference are made effective.

* * *

Seeding in Full Swing

SEEDING is in full swing throughout Western Canada and reports from nearly all sections agree that the decrease in acreage seeded to wheat as compared with last year is likely to be considerable. Much, however, still depends upon the weather, perhaps more than usual, for there will be reluctance to extend the seeding season as late as usual, because of the greater liability of late sown crops to attacks by grasshoppers. There are some hopes that a period of fairly warm weather will hasten the hatching of grasshopper eggs and thus expose the young hoppers to greater damage from such cold weather as may later be experienced. While there has been much soil blowing in southern Saskatchewan and Manitoba, the total extent of damage may not be of great importance unless there is continuance.

* * *

Watch U. S. A. Weather

WEATHER conditions in the United States winter wheat belt are being watched closely. A private estimate of an indicated production of 485,000,000 bushels seemed to indicate rather less damage than had been anticipated from unfavorable weather of recent weeks. But conditions in the spring wheat states of the northwest are regarded as decidedly unpropitious.

* * *

European Crops Smaller

EUROPEAN reports continue to stress unfavorable conditions in the Balkan states, but it is claimed that the winter wheat in other countries continues to make good progress, although there is no prospect of such bumper crops as were obtained last year. Liverpool for the moment is well supplied with heavy stocks of wheat, although the quantities of wheat afloat are 10,000,000 bushels less than last year at this time.

NOTICES

NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On June 16, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,
FRANK A. EGER,
Secretary.

Grain and Milling in Canada

EXPORT SURPLUS OF WORLD WHEAT MATERIALLY CUT

But Exports in First Six Months Much Lower

Trade figures for the first six months of the current crop year show that total exports of wheat and flour from all exporting countries amount to 277 million bushels as compared with 322 million bushels during the same period of the previous season, according to the current monthly crop report of the International Institute of Agriculture, Rome. During the same period European imports amounted to 193 million bushels against 216 million during the previous period.

The big drop in import requirements, fully confirmed by the volume of international trade during the first six months of the year, is due not only to abundant food crops in importing countries, but also largely to restrictions of all kinds that hamper international commerce, the review states.

Need Further Reduction

It is estimated, however, that exportable stocks will undergo a big drop during the course of the present season, the decline being calculated at about 120 million bushels. This reduction is about 10 million bushels larger than was foreseen in October of last year. Volume of exportable stocks, therefore, which on August 1, 1933, were estimated at 683 million bushels, should be reduced to 564 million bushels by August 1 of this year.

Although the exportable surplus is much reduced this year, the volume is still much too large to permit of any great strengthening of price in the international markets, the review points out. For a steady and marked improvement to take place, a reduction to normal proportions is necessary, it is stated.

Spillers Western Mills Remain Closed Indefinitely

The only reference in the annual financial statement of Spillers, Ltd. to Canadian properties is as follows: "Both the company's mills at Calgary and Vancouver have been shut down as the directors see no immediate prospect of running them except at a serious loss. Both plants are being carefully looked after and will be ready to restart if and when it appears wise to do so."

On all its operations Spillers made a profit of £405,409 and had a balance of £370,984 available for interest and dividends after all charges.

Quota Increase For Argentine Will Hurt Canada

From Our Own Correspondent

WINNIPEG.—The projected international price fixing agreement seems to cast no shadows before it in the wheat market and if millers abroad have any idea that it is likely to increase prices they have not yet been moved to any anticipatory buying. Market comment tends to ignore it just as if no such project had been put before different Governments by the Rome conference and as if a committee were not scheduled to meet in London within a few weeks to endeavor to put fixed prices into effect.

Whatever comment is made seems to imply a belief that the agreement will be made effective, but that does not seem to foster a belief in higher prices.

But the Rome conference, in addition to the price fixing scheme produced a supplementary agreement, or rather proposal, extending the Argentine's limit of allowable exports by 30,000,000 bushels, and the possibility of such an increase would mean a probable restriction in the quantity of Canadian wheat that might be exported during the remainder of the current crop year. That proposal is understood to be contingent on the adoption of the fixed price scheme, and seems for the moment to be offsetting whatever bullish influence might otherwise be associated with the latter.

LIVERPOOL THINKS GOVERNMENT HELP DEPRESSED PRICES

Sees Little Hope for Betterment Until Trade Freer

World wheat prices would be higher and carryover stocks less burdensome if trade in grain throughout the world had been free of government-supported marketing pools, subsidies, high tariffs, quotas and other restrictions, in the opinion of the directors of the Liverpool Corn Trade Association, it is stated in the annual report of that body. The report specifically attacks the actions of the Canadian Wheat Pool and its support by the government and the actions of the United States Government and its Wheat Board and Farm Relief Board.

Referring to the International Wheat Agreement, the report states that the agreement appears to reflect the view that it is quite possible to sell on the world's markets without buying, and so it fails to provide for the acceptance of goods whereby importers might take increased supplies of wheat from overseas. It is not surprising, therefore, it states, that the market has not moved toward the objectives of the agreement.

Plea For Freer Trade

United States is named as the probable instigator of the movement which led to the agreement, using the threat of subsidized dumping of her carryover as the "big stick."

Making a plea for freer trade and acceptance of goods from importing countries by wheat exporters, but expressing grave fears that further restrictions loom for 1934, the report concludes as follows:

"There is no commodity in international trade which has been so much beset by regulations of governments as wheat and there is no commodity which shows more lamentable results. Nevertheless, the directors fear that, both at home and abroad, further obstructions and hindrances may, during the coming year, be put in the way of trade and freedom of contract. There is no reason to think at the present time, that those overseas countries concerned in international commerce yet understand that the price of commodities can be raised and maintained only by a much greater acceptance by exporters of the goods and services offered by importers, the restoration of freedom of trade and the sanctity of private contracts.

"Until it is realized that the first essential of all international trade is that it must be mutual and freed from the tinge of nationalism, the directors submit that there can be no permanent and sure prosperity among producers of wheat and other produce for export, in the ocean freight markets or in the grain trade."

CURB EXPECTED IN 1934 PLAGUE OF GRASSHOPPERS

Normal Weather Aids Plans — 70,000,000 Acres Infested

From Our Own Correspondent

OTTAWA. — Telegraph reports from the West, received by the Department of Agriculture, are to the effect that spring weather is normal and will not tend to diminish the menace of grasshoppers.

The joint campaign to be put on by the provincial and federal authorities has been worked out in minute detail and will go into effect the moment the hoppers have reached the stage in development when they may be attacked. For the purposes of the campaign, the experts of the Dominion Government are being loaned, without charge, to the provinces.

70,000,000 Acres Infested

Latest reports are that 70 million acres on the prairies are infested, with 20,255,000 acres in need of control measures. Of the latter total, 2 million acres are in Manitoba; 14,755,000 acres in Saskatchewan, and the balance in Alberta.

The menace to the new crop is admitted to be grave, but Federal authorities are confident that given the means to fight, and expert leadership, losses due to hoppers can be cut down from 66 per cent to 7 per cent. The estimate is based upon actual experience in former years.

Avert National Disaster

Due to the large world carryover of wheat, there has been a tendency at Ottawa to criticize the Government for throwing all its forces into the effort to restrict damage from hoppers. It is explained, however, that to withhold aid to farmers would be to invite a national disaster in the West.

In 1933 the forage crops, due to weather conditions, were (like wheat) very small and there has been a severe shortage of feed both for cattle and other livestock and for poultry. It is a fact that tens of thousands of animals, essential to rural life, have come through the winter weakened and it is doubtful if they could stand another year such as they have survived. Indeed, this is an important factor in the Government's prediction of a low wheat crop this year. In many areas of the West, horses are not strong enough to enable the normal seeding to be done and there must be, perforce, a large cut in acreage.

No Fear For Future

Federal experts, have no fear of the future of western agriculture because of the present plague of hoppers. Apart altogether from defensive measures, such as deep plowing and the use of poison bait, normal weather will drastically thin the ranks of the hoppers.

The infestation has been caused by a long period of unusually dry weather which in past years has hatched out the grasshopper eggs much earlier than usual, and has brought the new generation to maturity very rapidly—thus not only greatly lengthening the period in which they are destructive, but enabling more eggs to be laid.

The grasshopper has been found to be active only between fairly small variations of temperature. A return to normal weather, therefore, will reduce its activity, lessen the number of eggs laid, and enable its natural enemies to reduce the total numbers.

It is regarded as certain that even if no efforts were made to check the grasshoppers, nature would bring them back to normal strength within a year or two. The efforts, this year are being made purely with a view of saving the 1934 crop.

RECENT WEATHER REDUCES CHANCE OF U. S. EXPORTS

From Our Own Correspondent

WINNIPEG — The possible size of the 1934 wheat crop in the United States still remains one of the important factors which may affect international prices during coming months. The first estimate of the winter wheat crop, made by the United States Department of Agriculture, was 492,000,000 bushels, while a fair average spring wheat crop, based on the acreage that would probably be seeded, might amount to 240,000,000. That would give a total production for the country of possibly 100,000,000 bushels more than might be required for domestic consumption, in which event the United States might desire to take advantage of the full export quota of 90,000,000 bushels to which it would be entitled to during 1934-35 under the London wheat agreement.

At all events it would seem impossible, with such a production, for commercial prices in the United States to maintain the high premium over world prices that has been maintained during the past year. But since the estimate in question was made prospects for the winter wheat crop have been impaired by unfavorable weather, while extremely unfavorable conditions in the spring wheat belt, so far as subsoil moisture and spring precipitation are concerned, make production of an average crop unlikely. And that is without considering the damage that may be done by grasshoppers, the danger from which is proportionately greater in the spring wheat states than is the case in western Canada, since only a small part of the former area is free from serious infestation.

Expect Bullish Movement

Should conditions in the United States get much worse in the near future the change might constitute an important bullish influence on Liverpool and on Winnipeg, for there can be no doubt that European buyers have for some time been counting on seeing United States wheat offered at competitive international prices before long. On the other hand substantial improvement in the United States might again start a downward movement in prices there, with a sympathetic effect on other wheat prices.

Inter-City Western Bakeries Limit Number of Directors

From Our Own Correspondent

MONTREAL. — Inter-City Western Bakeries, a subsidiary of Lake of the Woods Milling Co. whose control recently passed to the bondholders, has reduced the number of directors of the company from twelve to seven.

Key Facts About Wheat

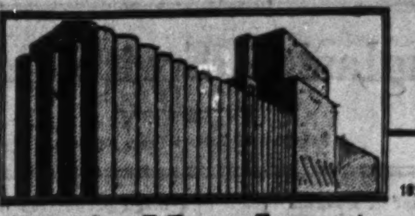
Canadian Wheat in Store:			
Fort William (April 27)	89,592,785	89,087,899	82,496,397
Country elevators (April 20)	98,275,497	102,479,346	106,395,368
Total, all points (April 20)	215,739,775	219,889,202	220,371,631
World Shipments (incl. flour, weeks ended):			
North American (April 30)	3,769,000	3,449,000	5,243,000
Argentine (April 30)	2,226,000	1,896,000	4,788,000
Black Sea* (April 30)	328,000	1,096,000	....
Australian (April 30)	1,209,000	1,430,000	1,921,000
Total, world (April 30)	8,012,000	8,151,000	12,192,000
Visible Stocks:			
Canadian (April 30)	106,125,000	107,395,000	100,211,000
United States (April 30)	84,550,000	86,604,000	122,999,000
Canadian Marketings and Exports:†			
Canadian exports (April 30)	1,497,598	2,226,498	2,444,355
Cumulative to April 20 (38 weeks)	114,292,713	112,765,115	170,827,579
Prairie marketings (April 13)	1,733,824	2,173,112	2,042,994
Cumulative to April 13 (37 weeks)	192,390,240	190,656,416	324,191,732
Country deliveries, April 27‡	1,939,000	2,321,000	2,425,000
Country loadings, April 27‡	5,656,448	5,412,606	3,001,240

*Includes South Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to May 1, 1934

Crop year from Aug. 1, 1933 High	Low		Open Apr. 25	High for week	Low for week	Close May 1
		Wheat				
.95	.59¼	May	.64½	.69⅝	.64	.64½
.71½	.62¼	July	.65½	.66½	.65¼	.65⅝
.71¼	.66⅝	Oct.	.67¼	.68⅜	.66½	.67½
		Oats				
.48½	.29½	May	.31¾	.32¼	.31	.31⅝
.38⅝	.30⅞	July	.33⅛	.33½	.32⅜	.32⅝
.36⅛	.32½	Oct.	.34⅛	.35	.33¼	.33½
		Barley				
.59⅜	.32½	May	.35⅝	.36⅝	.34⅛	.34¼
.44⅝	.35	July	.36⅛	.37⅝	.35½	.35⅝
.43⅛	.37¼	Oct.	.38⅝	.39⅝	.37½	.37½
		Flax				
1.71½	1.15	May	1.45	1.49½	1.43	1.47½
1.58	1.39½	July	1.45¾	1.50⅜	1.42¾	1.49
1.55	1.40	Oct.	1.41½	1.48⅜	1.38¾	1.46½
		Rye				
.68½	.39¼	May	.40⅞	.42⅝	.40⅝	.41¼
.53¼	.41¾	July	.42⅝	.44⅛	.41⅝	.42¾
.52⅛	.43½	Oct.	.44⅝	.46⅛	.43⅞	.45



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Two Modern Elevators
All Grades of Grain
Toronto — 2 Million Bushels
Sarnia — 3 Million Bushels

First to Open—Last to Close

MASTER FEEDS
For Livestock and Poultry

Toronto Elevators Ltd.
also Owning and Operating
The Sarnia Elevator Co. Ltd.
QUEEN'S QUAY TORONTO

NATIONAL ELEVATOR CO., LTD.
HEAD OFFICE: WINNIPEG, MAN.
Western Office: Calgary and Edmonton, Alta.
Operating 123 Country Elevators
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TERMINAL OFFICE: FORT WILLIAM, ONT.
We Specialize in Oat Sacking for Eastern Trade and the Manufacture of Poultry Feeds

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LIMITED
Country Elevators—Commission Merchants—Future Orders—Domestic and Steam Coal—Flour and Feed
OFFICES:
WINNIPEG — EDMONTON — CALGARY —
FORT WILLIAM — VANCOUVER

SEARLE TERMINAL LIMITED
WINNIPEG - FORT WILLIAM

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LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Winnipeg
Two Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
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and Terminals
Exporters and Shippers
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Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

McCabe Bros. Grain Co.
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WINNIPEG, MAN.
GRAIN COMMISSION MERCHANTS
Shippers and Exporters
All Grains-Sacked Feeds
Operating Country Elevators
MANITOBA
SASKATCHEWAN
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INVESTMENT BANKERS
3rd Floor, Royal Bank - Toronto, Can.

Twenty-first Annual Financial Statement and Directors' Report

WESTERN GROCERS
LIMITED

At the Annual General Meeting of the Shareholders of Western Grocers Limited, held at the Head Office of the Company, the Directors' Annual Report and Statement for the year ended December 31st, 1933, was presented and approved.

The Directors, W. P. Riley, W. H. McWilliams, H. W. Hutchinson, Frank O. Fowler and James A. Richardson, were re-elected, and at a meeting of the board following the Shareholders' Meeting, the officers of the Company were re-elected.

The Directors' report follows:

REPORT TO SHAREHOLDERS

Your Directors present herein the Twenty-first Annual Report for the fiscal year ended December 31, 1933, together with a statement of the financial condition of the Company at the close of the year.

OPERATING ACCOUNT

The income for the year was $188,093.91 after deducting all operating expenses, making provision for bad and doubtful accounts and interest paid on loans from the Company's bankers. This income, added to the surplus carried forward from 1932, made a total of $465,807.12, which was dealt with as follows:

Written off for depreciation on Buildings	$ 20,483.47
Written off for depreciation on Delivery and Warehouse Equipment, and Office Furniture and Fixtures	16,563.81
Reserve for Income Tax, 1933	25,000.00
Adjustment of Income Tax in Previous Years	1,116.03
Dividends Paid on Preference Stock	83,601.00
Balance at credit of Surplus Account, December 31, 1933	319,042.81
	$465,807.12

Giving due consideration to the conditions prevailing in Western Canada, the income for the year shows a satisfactory increase over that of the year 1932. The increase is directly attributable to some betterment in gross profits, together with savings in operating expenses arising out of rapid turnover of stocks and close collection of accounts receivable. The sales volume for the year under review was just about the same as that of the previous twelve months, making due allowance for the fact that the Company operated two less branches in 1933.

Inventories were taken in the usual conservative manner, at cost or market, whichever was lower, and the merchandise in the Company's warehouses is well assorted and in reasonable relation to the needs of the various territories served. In the view of your Directors, adequate provision has been made for possible losses on customers' accounts receivable.

It will be observed that during the year, the bank loans were very substantially reduced. This, your Directors regard as an outstanding achievement, being entirely an objective set by your management and successfully carried out. This reduction in bank loans should reflect itself in savings of interest as an operating expense in 1934.

As you are aware, your Company purchased the Capital shares of Nash Simington Company Limited, an organization wholesaling fruit and vegetables, in the fall of the year 1932. Nash Simington Company Limited is doing a satisfactory volume of business, and, upon any improvement in underlying conditions in Western Canada, should yield good returns on your Company's investment.

The investment in Nash Simington Company Limited shares is less, by $455,342.82, than it was at the end of 1932. This was accomplished by reducing the capital of the Nash Simington Company Limited, and a consequent redemption of part of the shares held by your Company. Nash Simington Company Limited has no bonded indebtedness and no bank liability.

The name "Nash Simington Company Limited" has also been changed to "Dominion Fruit Limited," and that company has been made a private company which is owned completely by Western Grocers Limited.

RED & WHITE STORES

These stores are independently owned by customers of the Company, who co-operate closely with your management under the Red & White plan of merchandising. Having regard to the general situation, the volume of business through the Red & White Stores continues to be satisfactory.

COMPARATIVE BALANCE SHEET

ASSETS

	As at December 31 1933	1932	Increase or Decrease*
Current and Working Assets			
Cash on Hand and in Banks	$ 76,242.33	$ 70,494.80	$ 5,747.53
Merchandise, at cost, or market if lower	808,140.93	1,013,691.31	205,550.38*
Accounts Receivable, Customers'	778,293.07	940,198.94	161,905.87*
Advances on Merchandise and Sundry Debtors	39,447.27	39,067.50	379.77
Prepaid Insurance, Interest, etc.	12,492.33	17,027.74	4,535.41*
Total Current and Working Assets	$1,714,615.93	$2,080,480.29	$ 365,864.36*
Investments			
Dominion Fruit Limited formerly Nash Simington Company Limited, shares	514,535.31	969,878.13	455,342.82*
Real Estate, not in use for warehouses and other investments	39,825.00	39,825.00	....
Warehouse Properties			
Real Estate and Buildings, less depreciation	796,550.60	817,034.07	20,483.47*
Plant and Equipment			
Including Automobiles, Motor Trucks, Office and Warehouse equipment, less depreciation	50,305.76	69,755.82	19,450.06*
Total Assets	$3,115,832.60	$3,976,973.31	$ 861,140.71*

LIABILITIES

	1933	1932	Increase or Decrease*
Current Liabilities			
Bank Loans, Secured	$ 60,000.00	$ 976,500.00	$ 916,500.00*
Acceptances and Accounts Payable, also Reserve for Income Tax	398,021.06	384,062.36	13,958.70
Dividends on Preferred Shares for 3 months ended December 31	20,900.25	20,900.25	....
Dividends previously declared and still unclaimed	705.74	634.75	70.99
Total Current Liabilities	$ 479,627.05	$1,382,097.36	$ 902,470.31*
Reserve for Contingencies	100,000.00	100,000.00	....
Capital Stock			
Authorized:			
7% Cumulative Preference Shares of $100.00 each $2,500,000.00			
Common Shares of No Par Value .... 30,000 Shares			
Issued and Outstanding:			
7% Cumulative Preference Shares of $100.00 each—11,943 Shares	1,194,300.00	1,194,300.00	....
Common Shares of No Par Value—16,943 Shares	1,022,862.74	1,022,862.74	....
Earned Surplus	319,042.81	277,713.21	41,329.60
Total Liabilities	$3,115,832.60	$3,976,973.31	$861,140.71*

Approved on behalf of the board.
F. O. FOWLER
H. W. HUTCHINSON
Directors

Contingent Liabilities Reported $32,000.00
Decrease*

Auditors' Report to the Shareholders:

We have examined the books and accounts of Western Grocers Limited, for the year ended 31st December, 1933, and, in accordance with the Companies Act (Dominion), we report that we have obtained all the information and explanations we have required, and, in our opinion, the appended Balance Sheet as at 31st December, 1933, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

(Signed) SHARP, WOODLEY & COMPANY,
Chartered Accountants

HEAD OFFICE, WINNIPEG, MANITOBA

BRANCHES
Calgary, Edmonton and Lethbridge in Alberta
Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon and Yorkton in Saskatchewan
Brandon, Dauphin, The Pas and Winnipeg in Manitoba
Fort Frances, Kenora and Port Arthur in Ontario

Mass Buying Enquiry

Baking Industry in Spotlight This Week — Loose Ends of Other Enquiries to be Cleaned Up Before Chain Store Evidence Starts

From Our Own Correspondent

OTTAWA.—While the Stevens committee is still being held up by the inability of special investigators to complete reports on various industries, it is hoped to bring on the chain store enquiry in the week of May 14.

This week is being devoted to the baking industry and to the completion of loose ends in other enquiries already well underway. The following week may see the beginning of two new enquiries. It is learned that the druggists have requested the committee to hear a brief which will deal with their operations and it is very likely they will be invited to Ottawa next week. Also, the fruit and vegetable industry is to be investigated.

Cannot Cover Entire Field

This will keep members busy almost to the end of May and will make it quite evident that the committee cannot begin to cover the field that has been mapped out for it during the present session. This view is not disputed by those in charge of the enquiry. But it is suggested that the delay has enabled a vast amount of essential spadework to be done quietly by investigators and that the reports which are gradually coming in will make for greater speed when the committee comes to grips with the industries concerned.

These reports are being held strictly confidential but it is a fair guess that a great deal of "interesting" material has been brought to light. The country, it is said, is due to receive further sensational evidence and it would not be surprising if a part of it related to the operations of the chain stores.

Hon. Donald G. McKenzie, Minister of Agriculture for Manitoba, was the first witness called on April 17.

Mr. McKenzie complained that the prices received by the western farmer were not definitely related to his cost of production. Unless a larger share of the consumer's dollar could be segregated for the primary producer in order to enable him to at least meet his cost of production, he could not continue business. Witness produced figures to show that the purchasing power of the agricultural people of the west fell 67.6 per cent in the five year period, 1928-32. He said the restoration of agricultural purchasing power would do more than any other single factor to stimulate industry generally and secure employment for many of those now unemployed.

Big Buyers Powerful

The greatest influence on the price of livestock on the Winnipeg markets were the key buyers, Mr. McKenzie said, mentioning Canada Packers, Swift's and Western. Prices at Winnipeg fluctuated irrespective of prices on the British market, he said.

In brief, Mr. McKenzie recommended:

1. General reduction in all handling and feed charges at public stock yards.
2. Application of provisions of the Livestock and Livestock Products Act to all licensed abattoirs in their purchasing of livestock.
3. Licensing and bonding of all drovers, shipping agents and packer buyers.
4. Reduction in minimum weight on carloads of swine, sheep and also on mixed cars of cattle, sheep and swine.
5. Establishment of an export freight rate on shipments of all livestock for export.

Reductions Insufficient

6. The extension to Western Canada of the "feed in transit" rate now in force in Eastern Canada.
7. An investigation into possible causes of violent price fluctuation and their relationship to competitive buying and selling, as well as to the law of supply and demand.
8. Influences of mass purchasing on prices paid by packers.
9. Influence of retail prices on consumptive demand.

These suggestions, he said, were endorsed by the Manitoba Government Committee on Agriculture and Immigration.

Witness said that in his opinion the recent reduction in stockyard charges was insufficient and meant nothing to the producer.

Alexander MacKenzie, wholesale butcher of Toronto, was the first witness called on Thursday, April 19. Witness said that although there was never any understanding between the various packing houses prior to the merger, after the merger Canada Packers and Swift Canadian were in the habit of communicating with each other before each market day, discussing the trend of the market and sometimes setting price to be paid for cattle on that day. It was understood Canada Packers would buy 68% and Swifts 32% of the total amount of cattle bought by the two houses, which were the two main packing houses in Toronto at that time. Witness said he was referring to the years 1931 and 1932.

Suggests Price Fixed

Mr. Ilsley thought it significant that Canada Packers, the heaviest buyers, always do the telephoning to inform Swifts the price for the day. He suggested that this meant that Canada Packers were fixing the price, but witness maintained it was a matter of arrangement. Nobody could tell Swifts what to pay, he said.

Referring to the direct shipment which comprised 30 per cent of the volume used by the plant, witness said that he did not think the producer got as good a price on the market as he would if the direct shipments were not allowed. The period of daily conferences had begun about the end of 1930 and was continuing when he left, witness said, in June of 1933.

Chain Store Buying

Chain stores and other large buyers bought in such large quantities that they were given a preference of about 85c to $1 a hundred over the ordinary retailer. They had often made sales to the large buyers at cost or less. This difference was made up on individual sales to the independent buyers, so that the price paid by the chain stores had a direct bearing upon the price paid to producer of the cattle, witness admitted.

Robert A. Wright, president of the Western Canada Live Stock Union, was the next witness called on April 19. The Union, he said, was purely and completely a producers organization, and had no selling agency. The quota on wheat and proposed limitations of wheat production made it essential that the West should have some greater output for its cattle, and other livestock. But they were faced with fierce opposition from Denmark and the Baltic States which had many advantages over Canada in respect to climate and proximity to market, such as Great Britain, Argentine, New Zealand and Australia were the big competitors in the meat cattle production. Something had to be done to put the Canadian producer in a better position to meet this opposition on a more equitable basis.

Asks Freight Reduction

Among the recommendations made by witness were (1) regulations allowing shippers to stop in transit to feed and fatten their livestock for market, (2) a cut in the freight rate on domestic consumed grain used for feeding and fattening live stock, (3) reduced rates on live stock and live stock products by truck, rail or ocean. He approved legislation now before the house for setting up a live stock marketing board but urged that this committee be fact finding only.

Manitoba Minister Recalled

Hon. D. C. McKenzie, Minister of Agriculture for Manitoba, was recalled on April 19. Asked by Mr. Stevens if the Manitoba Government had considered placing meat in the same category as milk under a public utilities act and thus fixing the price of beef just as they had fixed the price of milk, witness said the government had not considered it and he was confident that it could not be done. "While milk supply came to a local market and was a perishable product and never moved outside that local market, beef was drawn from all over the province and moved to all parts of Canada. There would be no way of exercising the same control.

E. J. Smith of the White Packing Co., Stratford, was the next witness called on April 19. He testified that the price of hogs in Canada was influenced partly by the price paid in Great Britain; and by the price paid in Canada. This company's business had recently been about 50 per cent export. The chain store, he said, had a very decided effect upon the prices paid to the producer. While his company did not pay a bonus to truckers for bringing hogs direct to the plant, they gave them an allowance on the price paid. These farmers knew that they were getting the market competitive price on account of the noon broadcast from Toronto.

Lauds Ottawa Pacts

W. A. Wilson, Animal Products Trade Commissioner of London, England, was the next witness called on April 19. He produced figures to show how Great Britain's imports of bacon had increased from 7,486 cwt. in 1925 to 11,138 cwt. in 1931. The quota arrangement under the Ottawa Agreement had saved the situation for Canada, said the witness, and an opening was partially made for Canadian bacon in Great Britain. Without this quota system Canada would have been cut right out of the British bacon market.

In cattle, Canada's chief competition in Great Britain was from chilled and frozen meat from Argentine, Australia, New Zealand and Uruguay. Ireland was the only other country that shipped live cattle and he had never looked upon competition from Irish or English cattle as being comparable in effect with chilled and frozen beef.

Until the Ottawa Agreement expires with the Southern Dominions, the prospects for Canada's trade in beef, mutton and lamb were not likely to improve materially because the increase from those two dominions had, to a great extent, taken the volume that had been cut off the Argentine.

Start Tobacco Probe

E. C. Scythes, pres. of the Victoria Tobacco Plantation, Simcoe, was the first witness called on April 24. The present condition of the tobacco industry in Canada was in a very precarious position. Numerous growers, especially in Western Ontario, were having great difficulty in paying the bare costs of production and in hundreds of cases have been unable to pay taxes. This was in spite of the fact that only a few years ago the tobacco industry was one of the bright spots of Western Ontario farming.

The amount of money invested by the growers of flue cured tobacco alone in Western Ontario, including land, buildings and equipment was about $20,000,000. If this were invested at five per cent interest it would produce a revenue of $1,000,000. In 1932 the total amount of money invested by tobacco manufacturing concerns in Canada was about $11,252,422 which at five per cent would produce $562,621. In other words, the tobacco manufacturing concerns of Canada had only a little over one-half as much money invested as capital compared to that invested by the flue cured tobacco growers of Ontario. Yet the tobacco manufacturers were one of the very few businesses in Canada which had been able to show large profits during the depression.

Makes Recommendations

Mr. Scythes stated that the recommendation of the Tillsonburg Co-operative and the Flue-Cured Tobacco Growers' Association to the special committee appointed by the Ontario Legislature were as follows:

A full investigation of the whole tobacco industry of Canada.

Publication of details of statistics showing the amount of the different types of tobacco, both domestic and imported, used in Canada; also stocks of all tobacco domestic and imported, held by manufacturers.

Representation to the British government regarding the question of the use of the word "Virginia" in the sale of manufactured tobacco in England (at the present time there is a law forbidding the use of the word "Virginia" on any package of tobacco or cigarettes unless the tobacco therein actually comes from Virginia.)

Witness explained that about two-thirds of Virginia tobacco, so-called, comes from Carolina and Georgia.

Hits at Imperial Tobacco

Witness charged the Imperial Tobacco Co. with being off the market at the opening and thereby forcing the price from an opening level of 32 cents down to 10 or 11 cents a pound in 1933. He called for an investigation of the profits made by the tobacco companies in Canada, claiming that the farmer was not getting a fair proportion of the purchaser's dollar.

Grower Explains Procedure

H. A. Freeman, a tobacco grower at Simcoe, Ontario, was the next witness on April 24. Mr. Freeman gave a resumé of operating costs of tobacco growers in the area starting with the purchase of farm and equipment, and explaining the crop rotation system. He pointed out that only about 30 to 35 acres of the 100 acre farm could be under tobacco in any one year.

Witness felt that it would be of great assistance to growers to know from month to month the actual stock of imported and domestic leaf in manufacturers' hands and in storage. In that way, they would be able to govern their acreage under tobacco. He stated that he was in agreement with the brief presented by Mr. Scythes.

Tobacco Associations' Opinions

J. F. McKay, president of the Ontario Tobacco Plantation, Toronto, was the next witness on April 24. He explained that the two tobacco growers' associations viz., the Ontario Flue-Cured Tobacco Association with headquarters at Simcoe and the Southern Ontario Co-operative Tobacco Growers' with headquarters at Tillsonburg had been working with the manufacturers and the Ontario Committee for the reduction of crops in 1934. A reduction of 25 per cent had been agreed upon.

Witness explained the system of operating his company. Individual farmers produced tobacco on their farms being members of the Ontario Tobacco Plantation and the parent organization marketed the crop, the growers getting 50 per cent.

Mr. McKay made the following recommendations:

That the larger growers be requested by this committee of enquiry to submit to a firm of auditors to be named by the committee their balance sheets covering a period of say the last five years; that from these statements a figure be arrived at which would constitute the average cost of producing a pound of flue-cured tobacco, as shown by the various companies during the past five years.

After such a figure had been established, the grower would be paid a price which would give him a reasonable profit, the percentage rate to be fixed either by this committee, the marketing board, or some other government authority.

The cost figures arrived at as suggested would be subject to revision from time to time if either party to the agreement so requested. Thus, if the manufacturer found it necessary to reduce his price to the retailer or consumer, he would make application for a reduction in the cost of his raw material,

(Continued on page 16)

NEWS FROM

Canada's Capitals

A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.

Week in Ottawa

Monday, April 16, House of Commons—Unemployment Relief Bill passed. Marketing bill debated.

Tuesday, April 17, House of Commons—Amendment to Dairy Act passed. Livestock and Livestock products and Marketing bills debated.

Senate—McRae motion for withdrawal of Canada from the League of Nations debated. Unemployment Relief Act given first reading.

Banking and Commerce—Canadian and British Insurance Act considered.

Public Accounts—Auditor General gives evidence governmental expenditures.

Wednesday, April 18, House of Commons—Hon. E. N. Rhodes delivered budget speech. Marketing bill debate continued.

Senate—Dairy bill and amendments to Destructive Insects Act given first and second readings. Unemployment Relief bill given second reading and Railway Agreement bill passed.

Banking and Commerce—Canadian and British Insurance Act approved.

Thursday, April 19—House of Commons—Amendment to Livestock and Livestock Products Act passed. Canadian Grain Act amendment given second reading. Marketing bill debate continued.

Senate—Amendment to Fruit Act given second reading. Unemployment Relief Act passed.

Sealing and Fisheries committee organized.

Agriculture—Fruit Act amendment considered.

Friday, April 20, House of Commons—Marketing debate continued.

Senate—Royal assent given to following—Unemployment Relief Act, Prudential Trust Act, Railway Agreement Acts, Criminal Code amendment, Precious Metals Marking Act, Dairy Act amendment, Destructive Insect and Pest Act amendment.

Monday, April 23, House of Commons: Budget debate begun.

Tuesday, April 24, House of Commons: Marketing bill debate continued.

Senate: McRae motion calling for Canada's withdrawal from the League of Nations debated. Livestock and Livestock Products bill given second reading. Canadian and British Insurance Companies bill debated.

Sealing and Fisheries committee: W. A. Found, deputy minister of Fisheries, gave evidence.

Agriculture: Livestock and Livestock Products bill considered.

Banking and Commerce: Canada shipping legislation ordered to be reprinted.

Wednesday, April 25, House of Commons: Premier Bennett announced the appointment of Hon. E. L. Patenaude to be Lieutenant-Governor of Quebec. Marketing bill debate continued.

Price Spreads: L. W. Fraser of Halifax appointed special investigator into fishing industry. Tobacco industry investigation continued.

Senate: Fruit and Honey bill read a third time. Senator W. H. Denis moved a resolution calling for cooperation between the various governments and the transportation interests in developing the tourist trade.

Thursday, April 26, House of Commons: Hon. C. H. Cahan introduced the revised Companies Act which was given first reading. Market bill debate continued.

Senate: Special committee appointed to consider ways and means of developing the tourist trade. Canadian and British Insurance Companies Act given third reading. Livestock and Livestock Products bill given third reading.

Public Accounts: Hon. C. H. Cahan gave evidence on the expenditures by the Printing Bureau.

Friday, April 27, House of Commons: Food and Drugs Act amendment (substitution of acetic acid for vinegar prohibited) given first reading. First reading given to bill authorizing the government to meet expenditures for and indebtedness of the National Railways in 1934 ($65,228,133). Civil Service Salary Deduction Continuance Act debated. Bill incorporating Discount and Loan Corporation of Canada referred back to committee to have maximum interest rate fixed.

MANSFIELD THEATRE EARNINGS ARE DOWN

Working Capital Remained Strong — Dividends Unpaid

Mansfield Theatre Company Limited had a net loss before depreciation in 1933 of $702 as compared with net earnings of $46,752 in 1932.

INCOME AND SURPLUS ACCOUNT

	52 wks. ended Dec. 30 1933 $	53 wks. ended Dec. 31 1932 $
Net earnings	*702	46,752
Less: Deprec.	16,954	14,152
Inc. tax res.	....	3,757
Net profit	*17,656	28,843
Less: Pref. divs.	....	26,250
Surplus for year	*17,656	2,593
Add: Prev. surplus	227,979	225,386
Less: Depr. adj.	3,885	....
Bal. carried forward	206,438	227,979

*Deficit.

Working capital remains very strong as shown by the following statement:

Working Capital

	1933 $	1932 $
Current assets	136,270	141,957
Current liabilities	1,848	4,586
Working capital	134,422	137,371
Ratio	73.74—1	30.95—1

Of the current assets, all but $1,050 is represented by cash and government bonds.

Brazilian Gross Up Net Earnings Down

Brazilian Traction Light & Power Company's gross earnings are higher for the first quarter of 1934 as compared with the same period of 1933, but as operating expenses increased 8.22 per cent net earnings are down 5.36 per cent to $3,447,181. March net is also down 7.29 per cent to $1,145,785 though gross was higher.

Wabasso Cotton Co. Start Plant Extension

From Our Own Correspondent

MONTREAL.—Wabasso Cotton Co. has taken out a building permit for the construction of an annex to its Three Rivers plant. The work, which will involve an expenditure of about $35,000, covers the construction of a large one-story reinforced concrete and brick structure.

Cities Service Working Capital Shows Big Gain

Cities Service Co., in which many Canadians hold shares, had net income in 1933 of $3,854,034, after depreciation and depletion but before various write-offs on account of losses in maintaining securities organization, now abandoned, bad debts and estimated losses on balances in closed banks and other prior year adjustments. These write-offs totalled more than $5,000,000. No dividends on holding company stocks were paid in 1933. Surplus still exceeds $100,000,000.

Working capital increased from $4,487,491 to $21,147,101. Total debt reduction during the year amounted to $14,166,215. Ordinarily many of these transactions would have been facilitated by public financing but security markets have not been favorable and so the company still is carrying on the policy of utilizing current cash from operation for new plant construction and payment of short-term debts incurred for the purpose. Henry L. Doherty, president, reports that volume of maturing funded debt is not burdensome, no important maturities occurring before 1942.

DOM. SCOTTISH CALLS MEETING TO CUT CAPITAL

Plans to Lower Common Par Value from $25 to $1

A special general meeting of common and preferred shareholders of Dominion-Scottish Investments Ltd., has been called at Toronto for May 23, to consider a proposed by-law allowing the writing down of the 60,000 shares issued common stock from $1,500,000 to $60,000 by reducing the par value from $25 to $1 per share. The by-law also provides that the $1,440,000 thus realized shall be applied to writing down assets, the remainder to be set aside as capital surplus. The by-law also provides that 140,000 of unissued common shares shall be written down, but this, of course, does not affect the balance sheet.

The purpose of the change is to allow continuation of the present dividend of $1 per annum on the $50 par value preferred shares, it is understood. The company faces an impairment of the common capital if some assets are realized, and this impairment would prevent payment of preferred dividends, even if earned, it is understood. By writing down the common shares by $1,440,000, a sum would be provided to take care of such realization, and still allow payment of preferred at the present rate. Approval of the by-law is requested "in order to facilitate any readjustment of the portfolio of the company that may be deemed advisable." Thus although actual deficit on realizations is reported as only $98,149 at February 28, 1934, further realizations may be made, and losses written off, by means of the by-law, without stopping preferred dividends.

Doesn't Alter Rights

The letter covering the proposed by-law states:

"The by-law does not in any other respect in any way affect the rights and preferences of the preference shareholders. Their rights to the cumulative dividend, rights in the event of liquidation, dissolution, winding-up, etc., and the redemption price are not impaired, nor does it alter the voting rights of the preference or common shareholders as the number of the authorized capital shares or issued capital shares remains the same. Some of the larger shareholders of the company have been consulted and have expressed their approval of the by-law."

Capital at present consists of 100,000 shares of $50 par value preferred, of which 59,700 shares ($2,985,000) are outstanding, and 200,000 shares of $25 par value common, of which 60,000 shares ($1,500,000) are outstanding.

New Booklet Gives Sketch Western Provincial Finances

Holders of securities of the Western Provinces are well secured. Harrison & Co., Toronto, investment dealers, conclude in a sketch of the finances of the Western Provinces.

Other conclusions of the sketch are that the burden of taxation on the western provinces, under normal conditions, is not too great for the taxpayer, and that it is in the interests of the Dominion taxpayer to carry them in the meantime and that they are able to do so. The general tone of the sketch is optimistic.

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TORONTO — MONTREAL

MASS BUYING ENQUIRY

(Continued from page 15)

that is our tobacco; or if the grower found his cost of fertilizer, taxes, insurance, etc., rising, he would similarly be entitled to an increase in the price he receives.

Two of the outstanding advantages of the plan suggested are that it would not only put the entire industry, the grower, processor, and manufacturer alike—on a firmer basis than has been possible under the former loose merchandisng methods and it would be automatic and permanent in operation, he said.

Appoint Investigator

Leonard W. Fraser, barrister of Halifax, N.S., was appointed special investigator to enquire into and investigate the fishing industry, at the opening of the session on April 25.

W. F. Kingston, St. Thomas, Ontario, a tobacco grower was the first witness called on April 25. Witness stated that he was an independent operator employing about 40 farmers each of them producing about 30 acres of tobacco a year.

Witness explained that in 1933 due to a letter from the Imperial Tobacco Co., growers changed the type of their tobacco the method of curing this costing considerable money but as a result they harvested the best crop produced in the area. However, prices fell disastrously and even good growers did not average more than around eighteen cents. Witness said that this was under the cost of production.

Witness stated that one of the worst features of the low prices was that it drove the better and thrifty farmers out of the business. They were Belgians, he explained, and they took their money out of the bank and went back to Belgium.

Witness stated that he favored the system whereby the buyers and the growers got together each season and fixed the prices of tobacco rather than have a marketing board do this for them.

Return to Livestock

Hon. George Hoadley, Minister of Agriculture in the Province of Alberta was the first witness on April 26. Witness gave a survey of the agricultural situation in the province of Alberta showing how the livestock industry had increased in importance over the past ten years. He stated that in terms of percentages, Alberta marketed 17.6 per cent of the cattle passing through Canadian stockyards and abattoirs during 1932, 8.69 per cent of the calves, 31.53 per cent of the hogs, 19.66 per cent of the sheep.

Mr. Hoadley presented tables to show the extreme fluctuations in prices in one year, for example, lambs varied from $3 to $10 and select bacon hogs from $3 to $5.75 in 1932.

Referring to the present low prices for cattle witness produced the results of a study based on 10,000 head of cattle carried on ranches in herds of from 300 to 3,500 head, this study demonstrating that production costs varied from 6.15 cents per pound in case of three year old animals to 7.25 cents for calves. These costs, he explained, include a return of 6 per cent interest on the ranchers' investment. Placed against these production costs he instanced returns of 3.6 cents per pound in 1932 and a low 2.88 cents in Winnipeg last summer.

Quotes The Financial Post

At this stage, Mr. Hoadley read an article from The Financial Post referring to the earnings of Canada Packers. The article was a summary of the annual statement of that company showing that they have been able to write-off the entire preferred stock arrears of $10.50 per share and that 1933 earnings were at the 1929 level. He stated that this report contrasted greatly with the prices being paid to Canadian producers for their cattle.

In brief, the recommendations made by Mr. Hoadley were as follows:

1. That a permanent national livestock marketing board be created at the earliest possible moment.
2. That the work of this committee, or a similar body, be established to assist if further investigation is deemed necessary.

To effect stability in livestock prices, it is recommended:

1. That a full enquiry be immediately conducted into all angles of the present livestock marketing system.
2. That the Livestock and Livestock Products Act be so amended as to require the weighing and issuing of scale tickets for all livestock purchased by packers direct.

With the aim of lowering transportation and marketing costs the following recommendations are made:

1. That a general reduction be made in freight rates on live animals moving to markets and to seaboard for export.
2. That freight rates be reduced on coarse grains for domestic use as livestock feed.
3. That the financial aid given by the department of trade and commerce and the ocean shipping of export cattle last year be again extended in 1934.
4. That an all inclusive rate on cattle for export to Great Britain be established from point of origin to final destination in Britain.

In order that markets for Canadian livestock and livestock products may be widened it is recommended:

1. That vigorous action be taken to secure unrestricted entry of Canadian cattle into Great Britain.
2. That government inspection of cattle intended for export to Great Britain be immediately established to ensure that only cattle of the type and quality desired by that market be shipped.
3. That a complete restriction be placed upon the importation of foreign meat and meat products into Canada.
4. That an aggressive campaign of education be undertaken with the aid of popularizing meats among Canadian consumers.
5. That a grade be established for the lower quality of meat and that a distinctive mark be applied to this poor quality that it may be recognized by the consumer.

Control Only Marketing

Questioned Mr. Hoadley stated that he would not have this marketing board given powers to control production as well as marketing.

Rosaire Roch, manager of the cooperative cigar tobacco and pipe tobacco producers in the northern tobacco growing section of Quebec was the first witness called on April 26.

Witness explained that in Quebec, tobacco growing was carried on by farmers as only a portion of their work as contrasted with the Ontario producers. Farmers in Quebec were engaged in the dairy and hog industry as well. He stated that the situation at present was that they were selling tobacco below the cost of production.

Questioned witness stated that while the price of semi-finished tobacco which his co-operative sells to manufacturers had declined drastically in the last two or three years. The price of the finished product had been maintained at the same level.

He stated that approximately half of last year's crop was still in the hands of the farmers.

Tobacco Professor On Stand

Phillippe Blais, manager of the Tobacco Growing Co-operative at Ste. Césaire, Quebec, was the next witness. He stated that 80 per cent of the production of his co-operative went to the General Cigar Co. of Montreal, a subsidiary of Imperial Tobacco. Total production of the Co-operative was around 1,000,000 pounds a year.

Archibald Leitch, formerly head of the Department of Farm Economics at the Agricultural College at Guelph and for the past five years an independent farmer in the tobacco area was the next witness called on April 25. Witness stated that he operated 64 farms with a total acreage of 7,300 of which approximately 2,600 was under tobacco last year.

Mr. Leitch had only one criticism to make against the manufacturers and that was that from 1920 on for the next ten years they encouraged growers to produce as much tobacco as possible and also gave the impression that moderate or poor crops would receive about as much per pound as the good cures. This resulted in poor farming and farming on unsuitable ground and when times got bad in 1930 and pressure was brought to bear on the manufacturers the farmers suffered severely through drastic declines in prices.

Buying Method Fair

Witness did not oppose the underground buying, that is, buying of by Imperial of Great Britain through Imperial of Canada and buying of small users through larger ones as he felt that the manufacturer had to be protected under the present farm purchasing system. This system, he explained, required the presence on the spot of experts and naturally outside companies and small companies could not afford to do this.

Asked whether he suggested that an open market purchasing system be introduced, witness stated that he had an open mind in the matter. He said that the open market was quite suited to Canadian conditions and growers might be forced to come to this in time.

Since 1931 witness explained that British manufacturers have returned more strongly than ever and some of them have purchased their supplies directly from the growers. Exports in 1931 amounted to 6,221,000 lbs.; 1932 to 11,000,000 lbs. and in 1933 to 13,722,000 lbs.

Mr. Leitch stated that of the 1933 crop there was between 8,000,000 and 9,000,000 lbs. dry weight packed in hogsheads which is graded to suit the export market. The export market, however, is dull because of the decision of English manufacturers to cut out the coupon gift system in selling their cigarettes. A great deal of Canadian tobacco, it was explained, was used in these cigarettes to make up for the coupon gifts.

Additional Uses in U. K.

Witness stated that the British manufacturer was finding additional uses for Canadian tobacco and he had hopes that during the coming year there would be a good demand from that country. Canadian tobacco is being used in the Old Country in medium priced pipe smoking mixtures and in the regular standard cigarettes. But witness did not think that the cheap brands of cigarettes which had been eliminated with the death of the coupon system would be re-instated.

Regarding price witness thought that an average of around 28c would be sufficient to allow his company to operate at a profit, but he explained that he was a particularly low cost producer. On this basis, a top of around 35 cents would be necessary.

Witness explained that 85 per cent of the growers had agreed to reduce their acreage by 25 per cent in 1934.

Witness stated that an advance in price of from 18 to 28 cents a pound would not mean a great deal to the tobacco user or to the manufacturer.

Mr. Stevens suggested that the growers get together with the manufacturers who were attending the meeting. They agreed to do this.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING APRIL 30

Range 1934 High	Range 1934 Low	Divd. Rate in $	Yield in % Apr. 28		Sales	Close Apr. 23 (or last)	Week Ending —Apr. 30— High	Low	Close
				A					
2.50	.90	.	...	Abitibi	10665	2.12	2.37	1.75	1.90
10½	4½	.	...	Do. pref. 6%	490	10½	10½	9	9¾
7¾	5¾	.	...	Do. cert. dep.	450	7½	7¾	7½	7¾
x80	80		...	Acme F. D'y	....	..	..	..	..
8½	6	20c	...	Agnew Surp.	5	7	7	7	7
90	72	7	8.2	Do. pref.	....	85	..	..	..
7	3	.	...	Alta. Pac. Gr.	25	3½	3½	3½	3½
23	16	.	...	Do. pref.	....	22	..	..	..
2½	2½	.	...	Amal. Electric	....	2½	..	..	..
12	10	.	...	Do. pref.	....	12	..	..	..
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
13¾	9¾	.	...	Asbestos, v. t.	3430	9¾	13½	10	13¼
13	9½	25c	...	Assoc. Brew.	995	11½	12	11½	11½
91	85	7	7.7	Do. pref.	....	91	..	..	..
4½	4½	.	...	Assoc. Can.	....	4½	..	..	..
				B					
145	138	10	7.2	Bk. Can. Nat.	109	140	140	140	140
203	167	8	4.1	Bk. Montreal	409	190	198	190	197
278	260	12	4.5	Bk. N. Scotia	6	267	265	265	265
205	161½	10	5	Bk. Toronto	54	200	200½	200	200
16¾	16¾	.	...	Barcelona	....	16¾	..	..	..
8½	3	.	...	Bathurst Pr.	1371	7⅝	7	6½	7
3½	1¾	.	...	Do. (B)	25	3	3½	3½	3½
1½	1½	.	...	Bawlf Grain	....	1½	..	..	..
12	7	.	...	Do. pref.	....	10½	..	..	..
4	3½	.	...	Beath & Sons	105	3½	3½	3½	3½
10	6½	.	...	Beatty Bros. A	10	8½	8½	8½	8½
85½	69	6	7	Do. pref.	....	85½	..	..	..
9⅝	3½	.	...	Beauharnois	12350	7⅝	7½	7	7
80	65	4	5	Belding Cort.	....	80	..	..	..
100	97	7	7	Do. pref.	....	100	..	..	..
120	110	6	5	Bell Telephone	872	119	120	119	119½
12	7½	50c	..	Biltmore Hats	....	10	..	..	..
93	85	7	7.5	Do. pref.	....	93	..	..	..
5	2	.	...	Bissell, T. E.	....	5	..	..	..
29	28	.	...	Do. pref.	....	28	..	..	..
5½	4	.	...	Blue Ribbon	228	4½	5½	5	5
32	23	2	6.9	Do. pref.	117	31	31	29	29
25	22	2	8	Brant. Cd. pf.	150	24¾	25	24½	25
14⅝	10⅝	.	...	Brazilian Tr.	17219	10½	10⅞	10⅝	10⅝
2.95	1.65	10c	...	Brew. & Distil.	12735	1.90	2.00	1.65	1.70
11	5¾	.	...	Brewing Corp.	49925	9¾	11	9½	10½
32	15½	.	...	Do. pref.	24611	25¾	32	25¾	30½
10	10	10c	...	Bright, T. G. c	....	10	..	..	..
16½	12½	80c	5.3	Brit. Amer. Oil	3691	15	15½	14¾	15
3⅝	2½	.	...	B. C. Packers	3495	2½	3½	3	3
13	10	.	...	Do. pref.	53	11	11½	11	11
32½	22¾	1.50	5.1	B. C. Power A	750	29½	29½	29	29
8½	4½	.	...	Do. (B)	2720	7⅝	7⅝	6¾	6¾
22	16	1	5.1	Bruck S. Mills	1236	18½	19¾	18¾	19½
23½	16½	1	4.5	Building Prod.	110	22	22½	22	22½
33½	27	2	6	Burt, F. N.	185	32½	33½	33	33
				C					
x125	125	6	...	Calgary Pr.	....	..	..	..	..
5⅛	3	.	...	Canada Bread	235	4½	4½	3⅞	3⅞
50	30	.	...	Do. pref. A	5	37	35	35	35
15	8	.	...	Do. pref. B	....	13	..	..	..
12	7¾	.	...	Canada Bud	2180	10½	11	10	10¾
12	6⅝	.	...	Canada Cement	2232	8½	8⅝	7¾	8½
53	32	.	...	Do. pref.	488	46	47	45½	45¾
29½	24½	1	3.5	Canada Dry	10300	28¾	29½	25½	25½
6½	4	.	...	Can. Forg. A	45	4½	4½	4½	4½
4	4	.	...	Do. (B)	....	4	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
52	50	3	6	Do. pref.	....	50	..	..	..
§*425	405	20	...	Canada Life	....	..	..	..	..
35¾	28	1.50	4.4	Can. Malting	1325	34½	34½	33	34
22½	16½	1+10c	5.2	Can. Nor. Pr.	661	21	21½	21	21
100	88½	7	7.2	Do. pref.	30	99	99	98	99
.10	.10	.	...	Can. Paving	....	.10	..	..	..
4	4	.	...	Do. pref.	....	4	..	..	..
140	117	8	6.2	Can. Perman.	35	132	130	130	130
3.75	.70	.	...	Can. Steamsh's	820	3.00	3.75	3.00	3.00
9	2½	.	...	Do. pref.	986	8½	9	8½	8½
27½	21½	1.60	6	Can. Vinegars	120	26⅝	26½	26	26½
25	24	.	...	Can. W. Cable	....	25	..	..	..
13½	5½	.	...	Do. (B)	15	12	10	10	10
4	2½	.	...	Can. Bakeries	5	4	2½	2½	2½
12	10	.	...	Do. pref.	....	10	..	..	..
166	127	8	5	Can. Bk. Com.	226	159½	162	159	160
27	17	60c	2.2	Can. Bronze	403	26	27	26	27
102	95	7	6.9	Do. pref.	....	102	..	..	..
8½	6	.	...	Can. Canners	130	7½	7½	7½	7½
88½	75	6	7	Do. 1st pfd.	105	88½	87½	86	86
10½	8½	30c	3.3	Do. 2nd pfd.	570	9½	9½	9	9
9⅝	6½	.	...	Can. Car & F'y	785	8	8½	7½	7¾
16	11½	.	...	Do. pref.	266	13¾	14	13¾	14
22½	16	.	...	Can. Celanese	785	20¾	20¾	19½	19½
120	104	7	6	Do. pref.	46	118½	116	116	116
45	30	2	5	Can. Convert.	....	40	..	..	..
72	41	4	5.9	Can. Cottons	15	65	68	68	68
92	70	6	6.7	Do. pref.	15	92	90	90	90
34½	20	1	4.2	Can. Dredge	790	23	23½	23	23
106½	106½	7	6.6	Do. pref.	....	106½	..	..	..
§80	79	6	...	Can. Fairb. pf.	....	80	..	..	..
16	9	25c	..	Can. For. Inv.	295	16	16	15½	16
95	80	8	8.4	Do. pref.	13	91	95	90	95
150	124½	3	2	Can. Gen. Elec.	3	140	150	150	150
62	59	3.50	5.6	Do. pref.	19	62	62	62	62
§6½	4	30+2½c	..	Can. G. Inv. T.	....	6½	..	..	..
76	54½	6	8.3	Can. Hyd. El. p	155	73	73	71	71½
13	11	.	...	C. Ind. Alc. n.	35	11½	11½	11	11½
18	16½	.	...	Do. pref.	10	16½	16½	16½	16½
20½	12¾	.	...	Can. Ind. Alc.	5710	13½	13¾	13½	13½
19¾	12½	.	...	Do. (B)	867	12⅝	13	12½	12⅝
161½	148	3.50	2.2	Can. Indust. B	....	161½	..	..	..
137	128	7	5.1	Do. pref.	....	137	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
40	20	1	3.3	Can. Lt. & Pr.	....	30	..	..	..
2	1½	.	...	Can. Locomo.	20	2	1½	1½	1½
b4½	2	.	...	Can. Marconi	6000	2½	3	2½	2½
15½	12	50c	3.3	Canadian Oil	515	15	15	14½	15
105	92	8	7.6	Do. pref.	5	101	105	105	105
18½	12½	.	...	Can. Pacific	8621	16½	16⅝	16	16
3	2	.	...	Can. Vickers	....	2	..	..	..
6½	4½	.	...	Do. pref.	....	5	..	..	..
§49	46	2	...	C. West'ghouse	....	49	..	..	..
11½	7½	10c	...	Can. Wineries	540	8	8	7½	8
16½	13	.	...	Can. Wire Box	45	14½	14½	14	14½
8¾	8½	.	...	Catelli Mac. (A)	60	8½	8½	8½	8½
2¾	2	.	...	Do. (B)	7	2⅛	2⅛	2⅛	2⅛
§245	245	8	...	Cent. Can. L'n	....	245	..	..	..
9	7½	60c	8	Champ. Oil, p.	2225	7½	7¾	7½	7⅝
3.50	1.61	.	...	Chem Research	15589	2.75	2.75	2.20	2.22
14½	5	.	...	City Gas & El.	58½	9	8½	5	6½
.80	.40	.	...	Claude Neon	705	.50	.50	.45	.50
11	6	.	...	Cockshutt Plow	1765	8½	8½	7½	7½
1.50	.50	.	...	Comm. Alcohol	1590	.90	.90	.50	.70
2	2	.	...	Conduits	....	2	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
12½	7½	.	...	Cons. Bakeries	591	10½	10⅝	10	10
1.50	.40	.	...	Cons. Indust.	145	.50	.55	.50	.50
3½	1½	.	...	Cons. Paper	5092	3½	3½	3½	3½
11½	6	.	...	Cons. Press	....	10½	..	..	..
x35	30	.	...	Cons. Sand, p.	....	..	..	..	..
170½	132	1.50	..	Cons. Smelters	627	166	167	162	162
182	165	10	5.6	Consumers' Gas	81	180	179½	178	178
23	23	.	...	Corr. P. Box p.	....	23	..	..	..
10½	5½	.	...	Cosgrave Brew.	3070	8	10	7½	9
11½	7½	.	...	Cosmos Imp.	280	11	11½	11	11
93	80	3.50	3.8	Do. pref.	90	90	93	93	93
4½	2	.	...	Crown Dom. Oil	525	3½	3½	3½	3½
20	16	2	...	Crow's N. Coal	....	20	..	..	..
				D					
1	1	.	...	David & Fre. B	....	1	..	..	..
2	2	.	...	Do. (A)	....	2	..	..	..
4¾	1	.	...	De Havilland	55	2½	2¾	2½	2½
30	22	.	...	Do. pref.	....	24	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
6	6	.	...	Do. pref.	....	6	..	..	..
26⅞	16¾	.	...	Distill-Seagram	7470	20½	20⅞	18⅝	19
§8	7	.	...	Dodge (A) pf.	....	7	..	..	..
§2	2	.	...	Do. (B)	....	2	..	..	..
186	133	10	5.8	Dom. Bank	39	172	175	172	175
37	25½	2	5.6	Dom. Bridge	3234	35	36½	35	35½
78	10	.	...	Dom. Coal	191	75	75	70	74½
28	20	.	...	Dom. Engineer	965	25½	27½	27	27¾
99	81	5	5.6	Dom. Glass	25	91¾	94	90	94
128	113	7	5.6	Do. pref.	....	125	..	..	..
.90	.50	.	...	Dom. Motors	280	.50	.50	.50	.50
1½	1	.	...	Dom. Pr. Stubs	25	1	1½	1½	1½
80	80	7	8.7	Dom. Rub. pf.	5	80	80	80	80
5¾	2½	.	...	Dom. St. & C B	7616	5½	5½	4½	4½
23	19½	1.20	6	Dom. Stores	111	22	22	20	21
5½	2⅞	.	...	Dom. Tar & Ch	661	3¾	3½	3½	3½
29½	15	.	...	Do. pref.	130	25	25½	25	25½
85½	67	4	4.7	Dom. Textile	1518	84	85½	83½	85
120¾	112	7	5.8	Do. pref.	....	120	..	..	..
7½	4	.	...	Dryden Paper	875	6	6	5½	5½
4	2½	.	...	Duff. Paving	....	3	..	..	..
40	18	.	...	Do. pref.	....	30	..	..	..
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94⅞	.	...	Do. pref.	....	..	..	..	..
5	3	.	...	East. Dairies	130	4	4	3½	3½
13	8½	.	...	East. Steel	....	9	..	..	..
80	72	7	9.7	Do. pref.	....	72	..	..	..
‡84	84	2	...	East. Theatres	....	..	..	..	..
75	72	7	9.3	Do. pref.	5	72	75	75	75
5½	5½	.	...	Easy Washer, n	20	..	5½	5½	5½
15	10½	31½c	..	Economic Inv.	17	14	15	15	15
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78¾	6.50	...	Do. pref.	....	..	..	..	..
3½	1	.	...	Enam. & Heat.	16	2	1	1	1
16	12	.	...	Eng. Electric	50	13	13	13	13
6	4	.	...	Do. (B)	5	4	4½	4½	4½
				F					
18	10	.	...	Fam. Players	....	17	..	..	..
12½	10	.	...	Do. Vot. Tr.	10	12½	12½	12½	12½
22	11½	1+.25	6	Fanny Farmer	40	20½	22	21	22
37	28	2.40	6.6	Do. pref.	30	36½	36	36	36
‡83½	75	.	...	Firstbrook Box	....	..	..	..	..
25½	15	50c	...	Ford Motors A	4310	23¾	23¾	22½	22¾
3¾	1½	.	...	For. Pr. Secs.	70	3½	3½	3½	3½
16½	10	25c	..	Foundation Co.	160	14	14	13	13
12½	3	.	...	Fraser Cos.	377	9½	12½	9½	12
9	2½	.	...	Do. Vot. Tr.	185	4½	9	6	8½
§90	90	.	...	Fr. & For. Inv. p.	....	..	..	..	..
3	3	.	...	Frost Steel	....	3	..	..	..
45	30	.	...	Do. pref.	10	42	45	45	45
				G					
6	3¾	.	...	Gen. St. Wares	1010	4¾	4¾	4½	4¾
30	14¾	.	...	Do. pref.	20	25½	23	23	23
136	90	5	4	Goodyear Tire	170	127	127	124	124
113	106	7	6.2	Do. pref.	91	111½	113	112	113
†93½	93½	.	...	Gould Pumps, p	....	..	..	..	..
3	1½	.	...	Gt. W. Saddlery	....	2½	..	..	..
15	11	.	...	Do. pref.	....	16	..	..	..
11½	6½	.	...	Gurd, Chas.	225	11	11	10½	10½
§100½	100	7	...	Do. pref.	....	..	..	..	..
8¾	4¾	.	...	Gypsum, Lime.	2084	6⅞	6⅞	6½	6¾
				H					
9½	5½	.	...	Ham. Bridge	127	6½	6½	6½	6½
37	30	.	...	Do. pref.	....	33	..	..	..
21	14	.	...	Ham. Cot. pf.	....	20	..	..	..
2½	1½	.	...	Ham. U. Theat.	65	2½	2½	2	2½
51	46	7	13.7	Do. pref.	5	46½	51	51	51
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
8½	5¾	.	...	Hinde & Dauch	235	7½	8	7½	7½
12	12	.	...	Holt Renfrew	....	12	..	..	..
50	35	.	...	Do. pref.	45	35	50	35	50
1.60	.70	.	...	Honey Dew	100	1.40	1.35	1.35	1.35
11	6	.	...	Do. pref.	....	8	..	..	..
10	4	.	...	H. Smith Pap.	910	9½	9½	9	9½
70	35	.	...	Do. pref.	135	65	66	64½	65
25	24	2	7.9	Humberstone S.	....	25½	..	..	..
18	9	50c	4	Hunts (A)	135	13½	13½	11½	12½
16	10	50c	3.1	Do. (B)	....	16	..	..	..
95	70	6	7.7	Huron & E. M.	74	86	80	78	78
15	14	.	...	Do. 20% pd.	63	14	14	14	14
8	5½	.	...	Hydro Electric	200	7½	5½	5½	5¾
				I					
180	141	10	5.7	Imperial Bank	63	177	177	174	175
15	12½	60+15c	4.3	Imperial Oil	23200	14½	15	14½	14½
14	10½	52½c	4.5	Imperial Tob.	2996	11⅝	12	11½	11⅝
15	14	.	...	Inter. City Bak	10	14	14½	14½	14½
§5½	5½	1	...	Inter'c Coal	....	5½	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9¾	4¾	.	...	Int. Hyd. E. A.	4812	8¾	8½	7½	7½
108½	90	7	6.5	Inter. Mill. pf.	1	108	108	108	108
84	84	6	7.2	Do. Series A	....	84	..	..	..
29.00	21.15	10c	...	Inter. Nickel	34539	28.25	29.00	27.70	27.70
5	3	.	...	Inter. Paints	55	4	4	3½	4
b6½	4	.	...	Int. P. & Pr. A	2107	6½	6⅞	5½	5½
b3½	1½	.	...	Do. (B)	2317	2½	3½	2¾	2¾
b2¾	1⅜	.	...	Do. (C)	2916	2¾	2⅞	2½	2⅝
b24⅞	10½	.	...	Do. pref.	16136	24½	24½	18¾	19½
27½	19½	1.12+44c	5.8	Inter. Pete.	26248	26¾	27⅝	26	26
3	2	.	...	Inter. Power	100	3	3	2¾	3
21	14	.	...	Do. pref.	10	20	21	21	21
6½	3	.	...	Int. Util. (A)	180	4	4½	3½	3½
1.50	.80	.	...	Do. (B)	3085	.95	1.00	.95	.95
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
100	97	7	7.1	Do. pref.	....	99	..	..	..
				K					
5½	4½	.	...	Kelvinator	605	4½	5½	4¾	5½
91	80	7	7.7	Do. pref.	55	88	91	91	91
				L					
15	11½	.	...	Lake of Woods	425	11¾	11⅞	11½	11½
73	56	.	...	Do. pref.	....	69¾	..	..	..
80	75	6	7.5	Landed Bank	....	80	..	..	..
4½	1	.	...	Langley's	....	4½	..	..	..
60	25	1.75	...	Do. pref.	20	60	60	60	60
59	47½	3	5.1	Laura Secord	106	59	59	58	58
3½	1½	.	...	Lindsay, C. W.	211	3	2	1½	2
36	35	.	...	Do. pref.	16	35	35	35	35
18½	14½	1+.15	6.5	Loblaw (A)	3144	17½	18¼	17⅜	17⅝
17⅞	13½	1+.15	6.6	Do. (B)	855	17½	17⅞	16½	17⅞
				M					
8	8	.	...	MacKin. Steel	....	8	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
4	3½	.	...	Manitoba Pr.	....	3½	..	..	..
5½	1½	.	...	Maple Leaf	405	1½	2	1½	1½
10¾	6½	.	...	Do. pref.	72	7¾	8	7½	7½
3	1	.	...	Do. B. pf.	....	1	..	..	..
12½	12½	.	...	Marcus Loew's	....	12½	..	..	..
77	60	.	...	Do. pref.	40	70	77	71	77
8½	4½	.	...	Massey-Harris	3616	5⅝	6	5½	5½
14¾	10½	60c	4.2	McColl Fron.	23219	12½	14¾	12¾	13½
86	71½	6	7	Do. pref.	281	85	86	84	85
15	11½	.	...	Melchers (A)	360	12	12	11½	12
11	8	.	...	Do. (B)	80	8	8	8	8
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	35	.	...	Mercury Mills	....	..	..	..	..
18	18	.	...	Do. pref.	10	18	18	18	18
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
10½	5½	.	...	Mitchell, Robt.	290	6½	7	6½	7
7	5½	.	...	Monarch Knit.	....	5½	..	..	..
68	45	3+1▲	..	Do. pref.	....	68	..	..	..
45	25	.	...	Montreal Cot.	....	45	..	..	..
87	67	7	8.2	Do. pref.	....	85	..	..	..
½	½	.	...	Montreal Exhib	....	½	..	..	..
4	3⅝	.	...	Mont. Is. Pr.	....	4	..	..	..
39½	33	1.50	3.9	Mont. L. & Pr.	4665	38	38½	37½	38
47	40	3+.25	8.1	Montreal Loan	....	40	..	..	..
54	50	3.20	6.1	Montreal Tele.	10	53	52	52	52
125	109½	9	7.6	Montreal Tram	37	118	120	118	118
17½	11	.	...	Moore Corp.	315	17½	17½	16½	17
112	96	7	6.2	Do. pref. A	18	110	112	109	112
130	109½	7	5.6	Do. pref. B	10	126	130	130	130
3	1	.	...	Muirheads	25	2	2	2	2
6½	6	.	...	Do. pref.	100	6½	6	6	6
				N					
28½	23½	1.60	5.7	Nat. Breweries	2047	28⅛	28⅛	27½	27¾
36	31	1.76	4.9	Do. pref.	420	35	36	35	36
108½	90½	1.75▲	...	Nat. Groc. pf.	10	107	108½	108½	108½
20¾	14½	.	...	N. Sew. Pipe A	70	16½	16½	16	16
18½	12½	.	...	Nat. Steel Car.	1365	17½	17	15½	15½
180	170	8	4.4	National Tr.	....	180	..	..	..
8	8	.	...	Niag. W. Weav	....	8	..	..	..
31	31	3a	...	Do. pref.	....	31	..	..	..
1.50	.75	.	...	North Star Oil	25	.90	.90	.90	.90
3.00	1.40	.	...	Do. pref.	600	1.50	1.50	1.50	1.50
				O					
209	180	8	4.4	Ogilvie Flour	12	200	180	180	180
135	125	7	5.2	Do. pref.	1	132	135	135	135
9	6	.	...	Ont. Eq. 10% p	210	6	7	6½	7
102	102	6	5.9	Ontario Loan	....	102	..	..	..
7	5	.	...	Ont. Silknit	....	6½	..	..	..
45	31	.	...	Do. pref.	30	41	41	41	41
10	10	.	...	Ont. Steel	....	10	..	..	..
†105	105	.	...	Do. pref.	....	..	..	..	..
.90	.25	.	...	Orange Crush	....	.60	..	..	..
8	5	.	...	Do. (A)	....	7	..	..	..
1.10	.30	.	...	Do. (B)	....	.60	..	..	..
5	5	.	...	Ottawa Car	....	5	..	..	..
92	79	6	6.7	Ott. L. H. & P.	6	90	90	90	90
102	90	6.50	6.5	Do. pref.	25	102	100	100	100
20	5	50c	...	Ott. Traction	....	12	..	..	..
				P					
77	55	3	4.1	Page Hersey	62	73	73½	72	72
30	24	.	...	Paton Mfg.	....	24	..	..	..
90	90	7	7.8	Do. pref.	....	90	..	..	..
62	47	3	5.5	Penmans	130	54	55	53	53
100	90	6	6	Do. pref.	10	100	100	100	100
20½	14	.	...	Photo Eng.	230	18½	19¾	18½	19¾
66	60	7	11.1	Porto Rico P. p	....	63	..	..	..
15	7½	.	...	Power Corp.	1460	12¾	12⅞	12	12¾
80	51	6	8	Do. pref.	165	74	75	74	74
2	1	.	...	Prairie C. Oil	....	1	..	..	..
20½	16½	.	...	Pressed Metals	50	19	19¾	18	18
4.75	.95	.	...	Price Bros.	4230	4.62	4.62	3.75	3.75
34½	7	.	...	Do. pref.	295	34	31½	30½	30½
				Q					
20	15	1	5.4	Quebec Power	361	18¾	19	18	19
				R					
§95	85	5	...	Real Estate L'n	....	85	..	..	..
6½	2	.	...	Regent Knit.	1285	5	5⅜	5	5⅜
4	3½	.	...	Reliance Grain	....	3½	..	..	..
24½	19	1*	4.3	River. S. Mills	55	22	23	23	23
7½	5½	.	...	Rogers Majest.	665	5⅝	6	5½	5½
168	129½	8	4.9	Royal Bank	238	164	166	163½	164½
17	17	.	...	Russell Motor	....	17	..	..	..
48	40	4	10	Do. pref.	....	40	..	..	..
				S					
3	2½	.	...	Sarnia Br. A	....	3	..	..	..
1½	1½	.	...	Do. (B)	....	1½	..	..	..
10½	6	.	...	Serv. Station	160	8½	9	8½	8½
60¾	32½	.	...	Do. pref.	5	60	57½	57½	57½
24½	17½	50c	2.1	Shawinigan	5872	23½	24½	23	24
21	12½	.	...	Sher. Wms.	20	19	19	19	19
87½	56	.	...	Do. pref.	101	86½	87	86½	87
10	6½	.	...	Simon & Son	....	10	..	..	..
65	65	▲5½	...	Do. pref.	....	65	..	..	..
73½	43	.	...	Simpson, Ltd.	105	71	69½	68½	68½
17	10	.	...	Do. (A)	15	17	15	15	15
8	4	.	...	Do. (B)	....	8	..	..	..
96	80	6	6.4	Simpson, R. p.	25	95	95	93	95
16	11	1	6.9	So. Can. Pr.	230	14½	15	14½	14½
90½	72	6	6.9	Do. pref.	94	87	88	87	87
3½	1½	.	...	St. Law. Corp.	6354	3½	3½	2¾	3⅜
11	5½	.	...	Do. (A)	5675	10	11	9½	11
39	34	1.50	4.3	St. Law. Flour	35	36	35	35	35
101	96	7	7.3	Do. pref.	....	96	..	..	..
24½	12	.	...	St. Law. Pa. p	2042	23½	24½	21½	24
9	6½	.	...	Stand. Chem.	50	7	6½	6½	6½
4½	1½	.	...	St. Pav. & Mat.	725	3⅝	3⅝	3½	3½
25	17½	.	...	Do. pref.	69	23	23	22	22
11½	6½	.	...	Stand. Steel	980	7	7½	7	7½
§30	30	.	...	Do. pref.	....	30	..	..	..
38	28	1.20	3.2	Steel of Can.	1066	37¾	38	36¾	37
38¾	31	1.75	4.7	Do. pref.	230	38	38	37½	38
3	2	.	...	Sterling Coal	....	2	..	..	..
9	4½	.	...	Stop & Shop	165	8	8	7½	7½
*483	483	.	...	Sun Life Ass.	....	483	..	..	..
29⅝	16	1	3.8	Sup. Pete. ord.	335	25	26	25	25¾
28	16½	1	4.2	Do. com.	....	24	..	..	..
105	99	7	6.7	Do. pref.	44	103	105	105	105
				T					
25	20	.	...	Tamblyn	....	25	..	..	..
106	98	7	6.7	Do. pref.	15	103	106	105	105
41	18	3.50	8.5	Thayers, pfd.	85	41	41	41	41
11½	9	40c	4	Thrift Stores	35	9½	10	9½	10
25	23	1.62½	7	Do. pref.	....	24	..	..	..
13½	7	.	...	Tip Top Tailors	....	9	..	..	..
80½	63½	7	8.7	Do. pref.	10	80	80	80	80
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
28	17	1	3.6	Tor. Elevators	210	26½	27½	27	27
100	89½	7	7.2	Do. pref.	100	98	99¾	98	98
120	105	6	5	Tor. Gen. Tr.	11	120	120	120	120
105	100	6	5.7	Toronto Mtge.	....	105	..	..	..
1.00	.50	.	...	Traymore	565	.85	.85	.75	.80
4½	2	.	...	Do. pref.	85	3½	4½	3	4½
125	116	7	5.8	Tuckett Tob. p	....	120½	..	..	..
8½	1½	.	...	Twin City	1351	5⅝	8½	6	6¾
b39	6	.	...	Do. pref.	....	..	..	..	..
				U					
6½	3¾	.	...	Union Gas	2763	5½	5⅞	5½	5½
3½	2¼	.	...	United Distill.	280	3	3	2¾	2¾
3	3	.	...	United Fuel	....	3	..	..	..
20½	9½	.	...	Do. pref.	10	20	19	19	19
12½	12½	.	...	Un. Amuse. A	....	12½	..	..	..
§7½	7½	.	...	Do. (B)	....	7½	..	..	..
33	17	2	6.1	United Secs.	....	33	..	..	..
				V					
5	2⅝	.	...	Viau Biscuit	50	2⅝	2¾	2¾	2¾
23	17	.	...	Do. pref.	126	17	17½	17½	17½
				W					
37	20	.	...	Wabasso Cot.	275	35½	37	35½	36½
57¾	39½	.	...	Walker-Good.	11367	43½	43¾	39½	39½
17⅝	16⅝	1	6.1	Do. pref.	2481	16⅝	16⅝	16⅝	16⅝
10.00	3.90	.	...	Walkerville Br	23185	8.50	10.00	8.50	9.75
4	2	.	...	Waterloo Mfg.	155	2½	2½	2½	2½
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
8½	6½	.	...	West. C. Flour	....	6½	..	..	..
60	48	3	5.5	Do. pref.	30	51	55	55	55
33	30	.	...	West. Grocers	161	32	33	32	32
87	85	7	8.2	Do. pref.	10	85	85	85	85
39½	28	1	2.6	Weston Bisc.	1090	38½	39½	38½	38½
105	88½	7	6.7	Do. pref.	32	103	105	103	105
5	3½	.	...	Whittall Can	100	4	4	4	4
65	35	6.50	11.6	Do. pref.	9	55	56	56	56
2	2	.	...	Windsor Hotel	5	2	2	2	2
18	5½	.	...	Do. pref.	....	10	..	..	..
4	1½	.	...	Winnipeg Elec.	670	3½	3½	3½	3½
12	4	.	...	Do. pref.	10	10	10	10	10
40	20	.	...	Woods Mfg. p.	15	40	40	40	40
				Z					
5½	4	.	...	Zimmerknit, c.	170	5½	5	5	5
50	50	.	...	Do. pref.	....	50	..	..	..

§ Quotations for 1933. No sales recorded in 1934 to date.
x Quotations for 1932.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* See "Unlisted Stocks" also.
* Plus 25c. on arrears paid April 2.
a Plus 75c. on arrears paid April 2.
▲ On account of arrears.
* Plus extra of 87½c. paid Jan. 31.
‡ Plus $3.50 on arrears paid Feb. 15.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
May 1, 1934

	Bid May 1	Asked May 1	Bid Apr. 24
Industrial Bonds—			
Abitibi P. & P. 5% 1953 F	46.00	48.00	45.50
Abitibi P. & P. C.O.D. F	43.25	45.25	42.50
Acadia Sugar 6% 1946	101.00	103.00	100.00
Alta. Pacific Grain 6% 1946	71.00	75.00	75.50
American Sales Book 6% 1939	99.50	....	99.50
Asbestos Corp. 6/41 ex-stock F	59.50	62.00	59.25
B. A. Oil 5% 1945	102.00	104.00	102.00
B. C. Pulp 6% 1950 F	63.00	67.00	65.50
Burns 5½% 1948 F	41.50	43.50	41.00
Can. Biscuit 6½% 1946 WS F	34.00	37.00	39.00
Can. Bread 6% 1941	91.00	94.00	90.50
Can. Cement 5½% 1947	91.00	92.50	90.25
Can. Steamship 6% 1941 F	33.00	36.00	33.75
Can. Canners 6% 1950	101.00	103.00	101.00
Can. Copper Refin. 6% 1945	107.00	....	106.50
Can. Cottons 5% 1940	100.00	....	100.00
Can. Goodrich Income 7/43 F	40.00	....	35.50
Can. Rail & Harbor 6½/51 F	28.00	32.00	27.50
Can. Vickers 6% 1947	66.00	69.00	63.50
Cons. Invest. 4½% 1959 F	78.00	81.00	77.00
Debenture & Sec. 4% 1936	73.00	77.00	73.00
Dom. Tar & Chemical 6% 1948	92.00	95.00	92.50
Dom. Telegraph 5½% 1978 A	93.50	97.00	93.00
Dom. Textile 6% 1949	107.50	109.00	107.00
Dom. Woollens 6% 1948 F	40.00	43.00	38.50
Donnacona Paper 5½% 1948 WS. F	60.00	63.00	56.00
Eastern Dairies 6% 1949	66.00	69.00	66.00
Famous Players 6% 1948	90.00	93.00	90.75
Federal Grain 6% 1949	73.00	78.00	74.50
Firestone Tire 7% 1937	100.00	....	100.00
Fraser Co. 6% 1950 F	43.00	45.00	40.00
Galt Brass 7½% 1941 F	26.00	....	26.00
Gen. Steel Wares 6% 1952	76.75	78.00	75.50
Great Lakes 6% 1950 F	41.50	44.00	42.50
Gypsum, Lime & Alab. 5½% 1948	77.00	79.00	76.50
Hamilton By-Prod. 7% 1943	101.00	102.50	101.00
Harris Abattoir 6% 1947	102.50	103.50	102.00
Howard Smith 5½% 1953	95.00	98.00	93.00
Lake St. John 6½% 1947 F	60.00	64.00	56.00
Lake St. John 6½% 1942 F	30.00	34.00	28.50
Loew's Toronto 6% Serial	100.00	....	98.50
Maple Leaf Milling 5½% 1949	37.50	39.00	39.50
Massey-Harris 5% 1947	71.00	74.00	72.00
McColl-Frontenac 6% 1949	102.00	104.00	101.50
McKinnon Industries 6½% 1945	98.50	....	99.00
Mercury Mills 5½% 1953	63.00	....	65.00
Minn. & Ont. 6% 1945-50 C.O.D. F	25.00	28.00	24.00
Price Bros. 6% 1943 F	100.00	103.00	100.00
Provincial Paper 5½% 1947	95.00	98.00	95.50
Restigouche 6% 1948 F	77.00	80.00	71.00
Simpsons Ltd. 6% 1949	98.00	101.00	98.00
Steel of Canada 6% 1940	107.00	....	106.50
Stop & Shop 6% 1947	88.00	....	83.00
Toronto Carpet 6% 1944	97.50	100.00	98.50
United Corpns. 5% 1953 F	79.00	82.00	77.50
United Gas & Fuel 5½% 1948	87.00	90.00	88.00
United Grain Growers 5/48	81.50	85.00	81.00
United Grain Growers 5½/49	84.50	....	84.00
Wabasso Cotton 7% 1942	93.50	95.00	90.00
Public Utility Bonds—			
Beauharnois Pwr. 5% 1973 F	50.50	52.00	50.50
Bell Telephone 5% 1955	107.00	108.50	107.25
B. C. Power 5½% 1960	100.50	102.00	100.00
B. C. Telephone 5% 1960	102.00	....	100.75
Calgary Power 5% 1960	95.00	96.50	94.50
Can. Northern Pwr. 5% 1953	92.00	95.00	93.00
Dom. Gas & Elect. 6½% 1945	67.00	70.00	68.00
Duke-Price Pwr. 6% 1966	93.50	95.00	94.50
French Natl. Mail SS 6/52	138.00	....	140.00
Gatineau Pwr. 6% 1941 B	87.00	88.00	87.00
Gatineau Pwr. 5% 1956	91.50	92.50	91.25
Maclaren Quebec 5½% 1961	97.00	98.00	97.25
Manitoba Power 5½% 1951	57.50	60.00	57.00
Montreal L. H. & P. 5% 1951	108.50	110.00	108.25
Montreal Tram 5% 1941 July	100.25	101.00	100.25
Northwest. Utilities 7/38	98.50	101.00	99.00
Ottawa Valley Pwr. 5½% 1970	104.00	106.00	104.00
Quebec Power 5% 1968	98.50	100.00	98.75
Rio Tramways 5% 1935	105.00	....	105.00
Shawinigan W. & P. 5% 1970	99.00	100.00	99.00
Shawinigan W. & P. 6% 1937	101.50	102.75	101.50
Southern Can. Pwr. 5% 1955	102.50	....	102.25
West Kootenay Pwr. 5% 1956	104.25	105.25	104.25
Realty Bonds—			
Admiral Beatty 7% 1944 F	22.00	26.00	23.00
Albert Bay 6½% 1942	62.00	66.00	62.50
Balfour Bldg. 6% 1943	43.00	47.00	42.50
Bloor St. George 7% 1946 F	37.50	....	37.50
Clarendon Apts. 7% 1946 F	30.00	38.00	32.00
Clarendon Properties 7/44 F	28.00	....	25.50
Dominion Square 6% 1948 F	50.00	54.00	52.50
Eaton Realty 5% 1949	95.50	97.50	95.50
Godfrey Realty 5% 1949 F	38.00	42.00	37.50
General Brock Hotel 6/48 F	27.50	30.00	28.50
King Edward Hotel 7% 1944 F	8.50	....	8.50
London Realty 6½% 1950 F	69.00	73.00	67.50
Lord Nelson Hotel 4% 1947	60.00	64.00	58.00
Mayor Bldg. 6½% 1942 F	41.00	....	41.00
Metropolitan Bldg. 7% 1944	96.00	....	96.00
National Realty 7% 1945 F	24.00	28.00	24.50
Northern Ontario Bldg. 6½/39	90.00	....	90.50
Ontario Bldg. 3½% 1943 F	40.00	43.00	41.00
Richmond Bay 6½% 1947	80.00	....	79.00
Government, Provincial & Railway—			
C. N. R. 4½% 1957 Dom. Gtd.	105.00	105.75	105.00
C. N. R. 5% 1969 Dom. Gtd.	109.50	110.50	109.25
C. P. R. 4½% 1944	89.25	90.50	89.75
C. P. R. 6% 1942	113.25	114.50	113.75
Dom. of Can. 5% 1936	105.00	105.75	104.75
Dom. of Can. 5% 1941	107.50	108.25	107.75
G. T. P. 3% 1962 Dom. Gtd.	90.50	91.50	90.75
G. T. P. 4% 1962 Dom. Gtd.	101.50	....	101.50
Ont. Hydro 3½% 1952 Ont. Gtd.	97.00	98.00	97.25
Ont. Hydro 4% 1957 Ont. Gtd.	99.50	100.50	90.75
Prov. of N. B. 5½% 1950	108.00	....	108.00
Prov. of Ont. 5½% 1946	111.75	113.00	111.50
Prov. of Ont. 4½% 1944	105.50	106.50	105.50
Prov. of Ont. 5% 1948	108.75	109.75	108.75

F—Traded without accrued interest.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Acme Gas & Oil	initial	2c	May 15	May 5
Bk. Can. Nationale	$10	$2.50	June 1	May 15
Blue Ribbon, pref.	$2	50c	May 1	Apr. 28
Bank of Montreal	$8	$2	June 1	Apr. 30
Bank of Toronto	$10	$2.50	June 1	May 15
Borden's, c. (97)	$1.60	40c	June 1	May 15
Buffalo Ankerite, extra	...	3c	May 15	May 1
Can. Hydro Elec. 1st pref.	6%	1½%	June 1	May 1
Canadian Converters	$2	50c	May 15	Apr. 30
Can. Bank of Commerce	$8	$2	June 1	Apr. 30
Champlain Oil, pfd.	60c	15c	May 15	Apr. 30
Chase, A. W., pfd.	$2	50c	May 10	Apr. 30
Canadian Oil	50c	12½c	May 15	May 1
Do., pref.	$8	$2	July 1	June 20
Canada Malting (26)	$1.50	37½c	June 15	May 31
Cosmos Imp. Mills, pref.	$3.50	87½c	May 15	Apr. 30
Do., on arrears		87½c	May 15	Apr. 30
Dominion Bridge	$2	50c	May 15	Apr. 20
Ford Motor	...	50c	May 28	May 8
Fuller (Can.) Geo., pfd.	6%	1½%	May 1	Apr. 15
Hollinger Gold	65c	5c	May 21	May 4
Do., extra	...	5c	May 21	May 4
Imperial Oil (41)	50c	25c	June 1	May 15
Do., extra	...	15c	June 1	May 15
Inter Petroleum (41)	$1.12	56c	June 1	May 15
Do., extra	...	44c	June 1	May 15
Do., pref.	$1.12	56c	June 1	May 15
Do., extra	...	44c	June 1	May 15
London Int. Trustee, c.	16c	8c	May 1	Apr. 15
Loew's London Theat., pref.	7%	3½%	May 15	May 5
Loblaw Grecet., A & B	$1	25c	June 1	May 14
Do., extra	..	15c	June 1	May 14
Langley's, pref.	..	1¾%	May 15	Apr. 30
McIntyre-Porcupine	$1	25c	June 1	May 1
Do., extra	50c	12½c	June 1	May 1
Do., bonus		12½c	June 1	May 1
National Biscuit, pref.	$7	$1.75	May 31	May 17
N. S. Light & Pr., pfd.	6%	1½%	June 1	May 16
Northwest Inv. & Hold., pref.	6%	1½%	May 1	Apr. 23
Penmans	$3	75c	May 15	May 5
Quebec Power	$1	25c	May 15	Apr. 25
Royal Bank	$8	$2	June 1	Apr. 30
Royalite Oil	...	50c	May 31	May 18
Rolland Paper, pfd.	6%	1½%	June 1	May 15
Southern Can. Power, c.	80c	20c	May 15	Apr. 30
Shawinigan W. & P.	50c	12c	May 15	Apr. 25
Toburn Gold	8c	2c	May 22	Apr. 28

* On account of arrears.

Winnipeg Stock Exchange

(Transactions for week to April 28)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Apr. 28
..	..	Clover Gold Units	1	40.00	40.00	40.00
..	..	El Bonanza	300	.25	.25	.25
..	..	Forty-Four	80	11.00	10.00	11.00
20	6.1	Great West Life	5	325	325	325
..	..	Gabrielle	150	.56	.56	.56
..	..	Island Lake	11,300	.15	.14	.14
..	..	Johnson Nipigon	200	.26	.26	.26
..	..	Manitoba & Eastern	2,000	.26	.25½	.25½
1	5.3	Monarch Life	10	19	19	19
..	..	Oro Grande	4,000	.12½	.11	.12½
..	..	Rice Lake Units	20	15.00	15.00	15.00
..	..	Smelters Gold	200	.32½	.32½	.32½
..	..	Scotia Gold	3,100	.35	.33	.33
1	10	United Grain Gr.	25	10	10	10
..	..	Toburn	200	1.65	1.65	1.65
..	..	Wingold	100	.48	.48	.48
..	..	Western Breweries	100	1.05	1.05	1.05

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Traders Bldg. Assn.	..	65
Beaver Lumber, pref.	..	63	Can. Amer. Tr. shs.	2¾	3¼
Do., com	..	3¾	Can. Inv. Fund	..	3.60
Home Investment	20	..	Fundamental Ser. A	..	4¼
Northern Trust	10	..	Fundamental Ser. B	4	..
Reliance Grain, pfd.	50	55	Grouped Inc. shs.	..	4.60

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending April 30, 1934

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1934 High	Low
Abitibi	5	1953	...	...	45	...	45	19½
N. S. Steel	5	1959	...	32½	32	...	32	25
Mtl. L.H.&Pr. debs.	5	1939	3.98	46½	46½	46	46½	43½
McNish	6	1948	...	3.75	3.75	...	4.25	3.25
Montreal Trams A.	5	1955	6.59	...	81½	81½	83½	75
Unlisted								
Cons. Paper	5½	1961	...	...	24	...	25	18½

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
May 1, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	2.20	2.60
Acadia Sugar pfd.	4.30	4.50
Allens London pfd. bonus c.	35.00	....
Allens St. Cath. pfd bonus c.	35.00	....
Allens Toronto pfd. bonus c.	20.00	....
Andian National	32.00	33.00
Atlan. Sugar pfd.	89.00	93.00
B. C. P. & P. pfd.	5.00	7.50
Burns pfd. bon c.	6.75	8.50
Can. Dom. Sugar	44.50	45.75
Can. Machinery c.	1.25	1.75
Can. Machy. pfd.	10.00	15.00
Canada Packers c.	39.50	42.50
Can. Packers pfd.	100.00	103.00
Can. Starch c.	7.50	....
Can Starch pfd.	75.50	....
Can. W. & Cable pfd. WW	79.00	82.00
Can. Indust. A	163.00	....
Can Indust. B	162.00	166.50
Can. Indust. pfd.	136.50	139.50
Can. Westing'se	46.50	48.00
Chase pfd. bon. c.	19.75	23.00
Claude Neon Gen. Adv. Units	4.50	6.00
Comm. Fin pfd. bonus c.	9.25	....
Copeland Fl. Units	4.50	6.00
Dom. F. & Steel c.	8.75	10.00
Dom. F. & Steel p.	66.00	....
Dom. Manufac. pf.	67.00	....
Dom. Woollens c.	3.00	4.00
Dunlop Tire pfd.	69.00	....
East. Dairies pfd.	12.00	15.00
Easy Wash. pfd. (Old)	16.00	....
Federal Grain pf.	14.00	18.00
For. Power Sec. pf.	12.00	15.00
Gen. St. Wares pf.	23.50	25.50
Goderich Elev & Transit	7.00	8.25
Green. Wire pfd.	67.00	71.00
Guelph Carpet pf.	80.50	83.50
Harding Carpets Units	19.00	....
Hayes Wheels pfd.	8.00	12.50
Highland Dairy c.	7.00	....
Highland Dairy p.	65.00	70.00
Inter City Bak. c.	13.50	15.50
Inter. Paints pfd.	13.00	15.50
Inter. Propriet. A	35.00	37.50
Langley's pfd.	55.50	60.00
Loew's Lond. pfd.	3.30	4.25
Loew's Toronto p.	72.50	80.00
Mansfield Thea. p.	28.00	31.50
Massey-Harris pf.	19.00	22.00
Nat. Grocers c.	4.80	5.10
New Meth. Laund. pfd.	35.50	....
Para. Kitchener p.	34.00	....
Para. Oshawa pf.	42.00	....
Prov. Paper pfd.	84.00	87.50
Reliance Gr. pfd.	52.50	57.00
Rob. Cons. Cone	7.75	8.75
Rolland Paper pfd. WW	76.50	80.00
Ruddy, E. L., pfd.	14.00	....
Serv. Stat. A pfd.	52.50	....
Stand. Fuel pfd. bonus	87.50	91.00
Supersilk pf. bonus	51.00	....
Supertest Pet. B pfd.	23.50	25.50
Thayers com.	4.00	....
Thayers pfd.	41.00	42.50
United Corpns. A	12.50	14.00
United Corpns. B	4.50	5.50
West. Grain pfd. bonus	6.00	8.00
Willards Choc. pfd.	6.00	10.00
Wood, Alex. & J. pfd.	20.50	24.50
Zimmerknit com.	5.25	....

Insurance Stocks:	Bid	Asked
Brit. Amer. Assce.	25.00	29.00
Canada Life	437.00	....
Can. Fire	55.00	59.00
Confed. Life 20% pd.	123.00	129.00
Cont. Life 20% pd.	36.00	42.00
Crown Life	103.50	....
Dom. Fire	85.00	....
Dom. Life 50% pd.	166.00	....
Dom. of Can. Gen. Ins.	101.00	107.50
Empire Life 25% pd.	10.00	....
Excel. Life 30% pd.	74.50	79.00
Fed. Fire 25% pd.	35.00	....
Great West Life	330.00	350.00
Guar. of N. A. fully paid	200.00	225.00
Guar. of N. A. 20% pd.	40.00	....
Imperial Life	287.00	....
Manufac. Life	222.00	226.00
Monarch Life 10% pd.	18.00	....
National Life 25% pd.	....	60.00
Sov. Life 25% pd.	17.00	....
Sun Life	460.00	475.00
Tor. Gen. Insce.	5.25	....
Traders Fin. A pf.	38.00	41.00
Western Assur. c.	23.00	....
West. Life 20% pd.	9.00	12.00
Trust & Loan Stocks:		
Br. Mtge. & Tr.	130.00	138.00
Chartered Trust	64.00	68.00
Eastern Trust	140.00	....
Premier Trust	86.00	....
Sec. Loan & Sav.	102.50	....
Sterling Trust	....	45.00
Vict. Tr. & Sav.	120.00	130.00
Waterloo Tr. & S.	79.00	....
Investment Trust Shares:		
Can. Gen. Invest.	5.50	5.75
Can. Int. Inv. Tr. Units	20.00	....
Can. Invest. Fund	3.35	3.55
Can. Investors	6.00	8.00
Cons. Div. Stand. Sec. pfd.	12.25	....
Deb. & Sec. pfd.	20.00	....
Dom. & Anglo Inv. Units	190.50	....
Dom. Scottish Inv. Units	21.50	26.00
Invest. Foundation Units	40.50	....
Sec. Holding Un.	9.00	12.50
Power Issues:		
Calgary Pwr. pfd.	87.50	89.50
Can. L. & P. c.	22.00	28.00
Can. W. Nat. Gas L. H. & P. pfd.	88.50	91.00
Gt. Lakes Pr. pfd.	39.00	....
Marit. T. & Tl. pfd.	12.00	13.00
N. B. Telephone c.	9.00	10.25
N. S. L. & P. c.	25.50	....
N. S. L. & P. pfd.	79.50	....

Recent London Quotations:	
Brit. Col. Tele., pfd.	$100
Brew. & Distillers	9s 4½d.
Can. & For. Secs.	5s. 6d.
Can. Collier, A, inc. stk.	36
Do., B	6
Can. N. W. Land	£1¼
Can. West. Lumber	1s. 9d.
Hudson's Bay	28s. 3d.
Do., 5% pref.	105s.
Internat. Holdings	32%
Nfld. Pr. & Pap. deb. stock B 5½%	102
Tor. Sub'an 4½% deb. stk.	20
Trust and Loan	1/16

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., 320 Bay St., Toronto
May 2, 1934

	Rate	Due	Bid	Asked	Yield
*†Dominion	5	1 Mar., 1937	107.25	107.75	2.15
†Dominion	5½	1 Dec., 1937	109.75	110.25	2.50
Dominion	5½	1 Nov., 1934	101.25	101.50	2.45
Dominion	3½	15 Oct., 1935	101.00	101.50	2.47
Dominion	4	15 Oct., 1935	101.75	102.00	2.63
Dominion	5	15 Nov., 1936	105.10	105.35	2.77
Dominion	4	15 Oct., 1939	102.35	102.85	3.42
Dominion	4½	1 Sept., 1940	105.15	105.50	3.52
Dominion	5	15 Nov., 1941	107.75	107.95	3.77
Dominion	5	15 Oct., 1943	107.90	108.15	3.96
Dominion	4½	15 Oct., 1944	105.00	105.25	3.89
Dominion	4	15 Oct., 1943-45	101.70	101.95	3.75
Dominion	4½	1 Feb., 1946	105.10	105.35	3.94
Dominion	4	15 Oct., 1947-52	101.90	102.15	3.80
Dominion	4½	1 Nov., 1946-56	104.65	105.00	3.98
Dominion	4½	1 Nov., 1947-57	104.65	105.00	4.02
Dominion	4½	1 Nov., 1948-58	104.65	105.00	4.04
Dominion	4½	1 Nov., 1949-59	105.15	105.50	4.06
		(with talons)			
Dominion Guaranteed Bonds					
xCan. Nat. Ry.	4½	1 Sept., 1951	107.00	107.50	3.90
*Can. Nat. Ry.	4½	1 July, 1957	105.00	105.50	4.13
Can. Nat. Ry.	5	1 Feb., 1954	109.75	110.25	4.24
xCan. Nat. Ry.	4¾	15 June, 1955	108.75	109.25	4.10
xCan. Nat. Ry.	4½	1 Feb., 1956	107.00	107.50	3.98
xCan. Nat. Ry.	4½	1 Dec., 1968	104.75	105.25	4.21
xCan. Nat. Ry.	5	1 Oct., 1969	110.50	111.00	4.24
xMontreal Harbour Cm.	5	1 Nov., 1969	110.75	111.25	4.22
Provincial Government Bonds					
*Alberta	4½	1 Oct., 1956	88.50	90.00	5.26
Alberta	6	1 Mar., 1947	100.75	102.00	5.78
*British Col.	4½	1 Oct., 1953	86.00	88.00	5.51
British Col.	5½	1 Feb., 1945	95.50	97.00	5.87
British Col.	6	15 Feb., 1947	98.75	99.50	6.06
xManitoba	5	2 Dec., 1959	95.00	96.50	5.25
Manitoba	5½	1 Oct., 1955	96.50	97.25	5.72
Manitoba	6	1 Apr., 1947	100.50	101.50	5.83
*N. B.	4¾	15 Apr., 1960	102.25	103.50	4.52
N. B.	5	2 July, 1963	105.25	106.25	4.61
N. B.	5½	15 May, 1950	108.50	109.50	4.67
N. Scotia	4½	15 May, 1943	102.25	102.75	4.12
*N. Scotia	5	1 Mar., 1960	107.75	108.75	4.43
xOntario	4	1 June, 1962	99.75	100.25	3.98
xOntario	4½	1 Sept., 1944	105.25	106.00	3.80
Ontario	4½	1 June, 1950	104.25	104.75	4.10
xOntario	5	2 Dec., 1960	111.50	112.00	4.25
Ontario	5½	1 July, 1946	111.50	112.00	4.25
Ont. H. C.	3½-4-5	1 Oct., 1952	97.10	97.65	4.10
xOnt. H. C.	4	1 Aug., 1957	99.50	100.00	4.00
Ont. H. C.	4¾	1 Jan., 1970	106.00	106.50	4.39
Quebec	4¼	1 Aug., 1958	103.00	103.75	4.01
Sask.	5	1 Aug., 1958	89.50	90.50	5.73
*Sask.	5	1 Nov., 1959	90.00	91.00	5.67
Sask.	5½	1 Oct., 1952	95.00	95.75	5.88
Sask.	6	15 Mar., 1952	98.75	99.50	6.05

Municipal Bonds

	Rate	Due		Bid	Asked	Yield
*Calgary	5½	2 June, 1944	2 June	91⅞	94	6.29
*Edmonton	5½	1 Nov., 1945	1 May	90	92	6.50
*Halifax	5	1 July, 1961	1 July	106½	108	4.49
Hamilton	5	1 May, 1950	1 Nov.	104½	106	4.47
Montreal	5	1 Mar., 1945	1 Sept.	100	101½	4.82
Ottawa	4½	1 July, 1945	1 July	102½	104½	4.01
*Quebec	5	1 June, 1959	1 June	100	102	4.87
Regina	5	1 July, 1944	1 July	80	85	7.04
St. John	5	15 Dec., 1950	15 June	105	106½	4.45
*Toronto	4½	1 Jan., 1955	1 July	102	103½	4.25
Victoria	5	21 July, 1945	21 July	89	92	5.97
Winnipeg	5	1 Mar., 1944	1 Sept.	94	96	5.53

† Tax Exempt Issues. *Payable in Canada and New York. x Payable in Canada, New York and London. Yields are calculated on offering prices.

Unlisted Mining Stocks

May 1, 1934
April 24, 1934

	Bid	Ask
Adanac Gold	.30	.35
Ardeen Gold	.45	.55
Arntfield Gold	.75	.85
Arntfield Synd.	.82	.87
Astoria Rouyn	.05¾	.07
Bankfield	.38	.39¼
Bathurst	.04½	.06
Beattie	1.23	1.28
Bidgood	.02½	.03½
Big Long Lac	.16	.20
Bloom Lake	.20	.28
Buff. Ankerite	1.85	1.95
Buff. Rouyn	..	.03
Bussieres Min.	.30	.50
Calder Bosquet	.32	.35
Can. Pandora	.24	.28
Can. Radium	.07	.10
Canusa Mining	.05	.07
Car. Coronada	..	.22
Casey Summit	.65	.72
Cen. Malartic	10.00	12.00
Clover G Units	38.00	43.00
Cochenour Wil.	60.00	80.00
Columario (old)	.18	.22
Condor Cons.	.25	.28
Continental Kirk.	.07	.10
Coupland Gold	.44	.48
Crown Reserve	.05	.06½
Cuniptau	.84	.90
Delta Units	65.00	80.00
Dorval Siscoe Units	19.00	23.00
Dunlop Cons.	.01½	.03
Eagle Oil	..	1.50
Echo Bay Expl.	..	.35
Edgecreek Un.	..	12.00
El Bonanza	.21	.24
Four Nations	..	.40
Galatea Units	..	40.00
Glenora Gold	.48	.54
Goldside Units	45.00	55.00
Gold Bar	.20	.23
Grandoro	.53	.56
Greenlaw	.07	.09
Gr. Bear Lake	.37	.43
Gabrielle	.58	.63
Hardrock	.62	.66
Herbin Lake Un.	17.00	20.00
Horseshoe	.06	.07
Huronian M.	.50	..
Internat. Gold	.29	.31
Iroquois Kirk.	..	.20
Island Lake	.12	.15
Johnson Nipigon	.24	.27
Jupiter Gold	19.00	21.00

	Bid	Ask
Keeley	.50	..
Kenty Gold	..	.90
Kirk. Gold	.27	.34
Kow Kash	.05½	.07½
Lake Geneva	.12	.17
Long Lac Adair	.24	.27
Long Lac Lag.	.18	.23
Lamaq. Contact	.24	.28
Lamaque Gold	1.80	1.90
McCarthy Webb	..	.10
McL. Cockshutt	.40	.43
Manco Gold	.24	.28
McCuaig R. Lake	.31	.36
Man. & Eastern	.22	.24¼
Makwa Cham.	.34	.36
Matachewan Can.	.15	.19
Mecca Gold	..	.20
Metals Develop.	.05	.07
Minefinders	2.00	2.75
Martin-Bird Un.	16.00	18.00
Miller Indep.	..	.40
Mont. Acker.	.28	.33
N.A.M.E. Units	7.00	..
Normetal Mine	.50	..
North Shore	..	.30
Northl'd Pros.	..	350.00
O'Connell Gold	.34	.38
Peninsular Pet.	.00½	.01
Pickle Crow	.70	.75
Pontiac Rouyn	.45	.50
Que. Eureka Un.	13.00	15.00
Queen Lebel	.13	.15
Red Lake Gold	.40	.44
Rice Lake Units	10.00	14.00
Rubec	.02	.03
Senneterre Gold	9.00	10.00
Silveradium U.	165.00	180.00
Silver Valley	.10	.15
Smelter Gold	.29	.32
Sourdough Un.	8.00	..
Sun Bear	..	.20
Swayze Contact	.15	.20
Talisman Gold	.24	.27
Tashota Goldfield	.42	.46
Tiblemont Island	.72	.78
Titurno Units	16.00	28.00
Toburn	1.50	1.60
Tudhope M. Syn.	20.00	25.00
Tyrrell Tp. McN.	..	40.00
Vermil. L. Sh. Un.	19.00	21.00
Vipond	.50	..
Wendigo	.54	.58
Wingold	.43	.48
Young Davidson	.34	.39
Yellow Knife	.27	.33

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News of Canadian Mining Investments

The Week in Mining

Fear of Unknown

FEAR of the unknown affected the mining section of the Toronto Stock Exchange during the past week, and resulted in many losses being sustained, confined in the main to gold stocks.

The sudden reaction was felt most keenly in the latter part of the week ending April 28, when the market, which had stood up well despite uncertainty as to what would be the fate of the 10 per cent gold tax, sagged suddenly, apparently as the public became stampeded by a fear of what the tax would do to profits.

The investing public should not lose sight of the fact that even with the tax, profits of the key producing mines will still be higher in 1934 than they were in 1933. That there is no reason for costly hysteria is shown in an analysis of the profits on gold stocks for 1934 contained in an article in this issue. If the high market prices prevailing before the tax was announced were justified the effect of the tax on profits was not justified by the market break.

The month of April was second only to March in activity on the market, a monthly report of the mining section shows. Transactions in April totalled 60,550,407 shares. This compared with a trifle over eleven million shares in the corresponding period of 1933, and with 69,990,790 in March, peak month of the Exchange's history.

Values of transactions for the month at $36,960,712 were down from March's $42,741,382, the ratio of decline being much greater than that of sales volume.

The report lays the blame for the steady drop in prices on the budget announcement. A definite recovery was seen up to the date mentioned above, when again the market slipped. Eight of the senior gold issues showed an average loss on the month of $2.61, which represented a decline in quoted values of some 48 million dollars on outstanding shares.

* * *

Sea Gold

NO LESS an authority than Thomas Midgley, Jr., vice-president of the Ethyl Gasoline Corp., has predicted that within ten years, a start will have been made to gather, as a commercial proposition, some of the 1,500,000,000,000 oz. of gold which, according to most experts, is in sea waters.

The statistician of the magazine Time has estimated that, at Roosevelt prices, the 2,000,000,000 people on the earth would each have $24,500 in gold if the gold contained in sea waters were evenly distributed, among humans.

Slightly more practical than Time's statistician, Mr. Midgley cited as evidence of the saneness of his prediction the strides made by his company in extracting bromine, used in making anti-knock gasoline, from sea waters. Ten years ago, he told members of the American Chemical Society, no one thought it possible to extract this bromine on a commercial scale. Today his company operates a plant in North Carolina which daily extracts 15,000 lbs. of bromine, worth 36 cents a pound, from 30,000,000 gals. of sea water.

* * *

Nuggets for Stock

A CORRESPONDENT writes that brokers offices in Kirkland Lake are doing a "land-office business." This, under present conditions of booming mine stocks, is not as sensational news as it would be were land offices doing a brokerage house business.

Among the almost hysterical crowds in the offices at Kirkland Lake, writes this resident, he noticed a young lady, eagerly offering her string of Klondike nuggets as security for the purchase of untried, unproved, mining property.

GOLD BELT MINES GET 15 OZS. A TON

Report Showings Across Six Inches of Vein in B. C.

Gold values of 15 ounces per ton are showing across 6 inches of the vein in the face of the east drift on No. 2 level at Gold Belt Mines, in the Sheep Creek area, British Columbia, according to Harold Lakes, managing-director.

The east drift on "D" vein has been carried 204 ft., states Mr. Lakes, and at the 199-foot point "D" vein is 18 inches wide and across 6 inches assays 9 ounces gold per ton. The west drift on "D" vein has been carried 60 feet and in the present face "D" vein is 14 inches wide and giving gold values of 6 ounces across the full face. In the 200 ft of drifting done up to the end of March, "D" vein on No. 2 level has averaged 10 to 24 inches in width. "D" vein was recently encountered on No. 6 level 350 feet below No. 2 level and across 24 inches assayed on the average 0.5 ounces in gold.

Since Gold Belt completed the 210-foot raise on "C" vein No. 2 and No. 6 level development of the Bruce and "D" veins has proceeded apace. Driving of an intermediate drift from the 80-foot station in the raise cut "C" vein beyond the fault and samples of sulphide ore across 6 inches assayed 6.39 ounces in gold.

Gold Belt is now stoping ore from "C" vein in the raise for shipment to Trail Smelter and extending No. 6 level to cut "C" vein at depth.

C. & E. Wells Production Rises to $11,465 in March

Official report by the Calgary & Edmonton Corp. shows that the production and royalties for March from the producing wells on the corporations land in the Turner Valley area in Alberta was $11,465 and 27,800 barrels respectively. This compares with $8,087 and 18,861 barrels in March, 1933.

C. & E. Longview well No. 1 drilled into the top of the limestone in the Southern Turner Valley field on April 21, at a depth of 5,580 ft. Drilling will be resumed in the limestone early in May.

Casing is being run at the Associated Royalties No. one well, which has been drilled to a depth of 3,810 ft. The company also reports a new lease given in the south of Turner Valley with drilling to commence about June next.

MACASSA REPORTS PROFIT OF $158,002 FIRST 5½ MONTHS

Mill Gradually Increased from 100 to 193 Tons Per Day

RECOVERY $16.36

Positive Ore Reserves Total 74,196 Tons — Too Early to Estimate Indicated Ore

The sixth annual report of Macassa Mines covering an initial five and one half month period of production, ended March 31, 1934, shows a net profit of $158,002 equivalent to approximately six cents per share on the 2,627,988 $1 par value shares outstanding.

The following tabulation gives income and surplus account figures from the commencement of operations on October 15, 1933 to end of the fiscal year, March 31, 1934.

Income and Surplus Account Oct. 15, 1933 to Mar. 31, 1934

	$
Bullion production	402,798
Sundry revenue	677
	403,475
Less: Oper. exp., develop., mining, milling & gen. expenses	167,051
Administrative chgs.	12,535
Reserve for taxes	18,105
Reserve for deprec.	23,158
Explor., develop., w/o at $1 per ton milled	24,624
Net profit	158,002

Mill Stepped Up

During the five and a half months period the mill was gradually stepped up from 100 tons per day to an average of 193 tons per day in March and treated 24,624 tons of ore having a gross value of $402,798 including exchange compensation. This is equivalent to $16.36 per ton of ore milled while the extraction averaged 92.8 per cent with the latest figures showing an increase of 94.1 per cent.

Preliminary development including the sinking of a main shaft to a depth of 2,475 feet and running a drift to the eastern extremity of the property on the 2,475 foot level. During 1933 new ore was developed on the 1,850, 2,000, and 2,150 ft. levels while in recent months work was started on the 1,725 and 1,500 ft. levels. Neither of the two latter have advanced sufficiently to reach the expected ore zone.

No work has been done west of the shaft but officials plan to start work in this area this spring, just as soon as skips have been installed in the shaft to facilitate the handling of ore.

G. A. Howse, mine manager reports it is difficult to arrive at correct figures for ore reserve tonnage and value of a mine just starting production. He comments that tonnage of broken ore will naturally be low at the start but is expected to increase monthly. Fully developed ore is as follows: Unbroken ore 163,125 tons averaging $11.60 per ton; broken ore 13,200 averaging $10.25 per ton; and surface ore dump, 7,871 tons averaging $9 per ton. All values at $20.67 per ounce. Costs during the period totalled $9.92 per ton including $1.95 for depreciation and predevelopment charges, written off at the maximum rate of $1 per ton.

The following tabulation gives operating costs per ton of ore milled.

Cost per Ton of Ore Milled

Explor. & development	$1.06
Mining	3.33
Milling	2.03
Taxes & marketing	.74
Adminis. & general	.81
Operating costs	$7.97
Depreciation & write-offs	1.95
	$9.92

Robert A. Bryce, president of the company calls attention to the acquisition of the adjoining United Kirkland Gold Mines last October, stating that the title has now been registered in the name of Macassa Mines, giving the company a total of 11 claims approximately 344 acres on the main break at Kirkland Lake, Ont. immediately west of the Kirkland Lake Gold Mining Co.

The balance sheet as at March 31, 1934, shows current assets totalling $291,386 and current liabilities totalling $74,566, in addition there are deferred accounts due on machinery contracts of $29,430. The company has no liabilities in the nature of loans, advances or purchase money due on property.

The annual meeting of the company is called for May 18 in Toronto.

RAND MINE OUTPUT HITS $357,976,000

Gold Production Down But Value Higher Than in 1932

A terse picture of the mining situation in South Africa is given by G. R. Heasman, Canadian Trade Commissioner, in an article in the Commercial Intelligence Journal, issued by the Canadian Department of Trade and Commerce. Mineral production for 1933 is valued by Mr. Heasman at about $357,976,000.

Of this, gold, as might be expected, contributed the greatest amount, 11,017,495 fine ounces being produced in 1933, as compared to 11,553,564 in 1932, the relative values of the outputs being $338,019,000 and $245,382,000 respectively. A policy of mining low grade ore was possible, owing to the higher price for gold.

Coal production of South Africa was valued last year at $14,481,380. Other minerals, of which silver was the principal, were valued at $5,476,000.

The depression has seriously affected the diamond industry, the sales in 1933 amounting to about $10,000,000 as compared with $52,500,000 in 1929. The year 1932 was the lowest in this branch of mining, the sales for that year only totalling $7,500,000.

$6,000,000 Mine Dispute Aired Before Privy Council

Two groups of British Columbia litigants will dispute ownership of 392,000 shares of Pioneer Gold Mines of B. C., with nearly $6,000,000 at stake, before the Privy Council in June.

Four Vancouver men, Alfred Bull, Brig.-Gen. J. Duff Stuart, Dr. R. B. Boucher, and Dr. Francis J. Nicholson, with the estate of the late Adam H. Wallbridge, seek to retain judgments entitling them to the whole of 800,000 shares they received for their interest in the Pioneer Mine, famed producer of the Bridge River district.

Minority shareholders, 14 in number, are launching the appeal. They claim 49 per cent interest by virtue of their former holdings. Andrew Ferguson, of Vancouver, and the Peter Ferguson estate are the plaintiffs.

Nickel Boom Seen As Normal Demand

So great has been the increased world demand for nickel that the Clydach refinery of the Mond Nickel Co. has started up an additional unit. Only two years ago the refinery closed down owing to the accumulation of heavy stocks of the refined metal. Now full time employment is given to about 1,000 workers.

Officials of the company state that nickel is not being required for armaments but is a normal industrial demand and is a sure sign of trade revival particularly in the consumption of stainless steel containing large percentages of the metal.

LITTLE LONG LAC STARTS ERECTION OF 200-TON MILL

Shareholders Offered New Stock at $3.50, One-for-Ten Basis

Shareholders of Little Long Lac Gold Mines are in receipt of the first annual report of the company covering the year ended December 31, 1933, also offering shareholders the right to purchase 166,000 additional shares at $3.50 each. The new shares are offered to shareholders of record May 10 on the basis of one new share for each 10 shares presently owned, payable on or before May 22, 1934.

The company was incorporated in January 26, 1933 to develop a pioneer gold find made two miles south of Geraldton on the C.N.R. Long Lac—Port Arthur line, the previous fall. The property comprises 35 claims. On one claim diamond drilling has indicated a continuous ore shoot for a distance of 600 ft. in length by 400 ft in depth. Last year a three compartment shaft started on May 24, was sunk to a depth of 465 ft., with stations cut at 125, 200, 325 and 445 ft. Owing to water trouble the 125 ft. horizon was not drifted on. On the 200 ft. level 483 ft. of drifting and 110 ft of cross-cutting was done. Since the end of the fiscal year 780 ft. of drifting has been done on the third level and 774 ft. on the fourth level.

The following tabulation gives the result of channel samples taken at five feet intervals on the respective levels. Also the results of muck samples from the ore cars. All values are computed with gold at $20 per ounce.

Sample	2nd Level	Width	Assay
Channel	183 ft. west	6 ft.	$16.14
Car	......	......	18.68
Channel	134 ft. east	6.37 ft.	14.36
Total channel	322 2nd level	6.16 ft.	15.34
	3rd Level		
Channel	400 ft. west	5.43 ft.	16.70
Channel	359 ft. east	4.08 ft.	12.93
Channel	20 ft. pill.	5.00 ft.	15.00
Total channel	779 ft.	4.80 ft.	14.92
Car (134)	......	......	14.66
	4th Level		
Channel	421 ft. west	4.80 ft.	14.95
Channel	333 ft. east	5.28 ft.	12.25
Channel	20 ft. stat.	6.00 ft.	15.00
Total channel	774 ft.	5.04 ft.	13.80
Car (188)	......	......	14.39

Mill Under Construction

Joseph Errington, president of the company reports that sufficient ore has been developed to justify the installation of a 200 ton daily capacity mill now under construction, also that a favorable power contract has been made with the Ontario Hydro-Electric Power Commission at $20 per h.p. per year with the company building its own transmission lines from Beardmore on the same C.N.R. branch line, about 40 miles west.

The balance sheets of the company showed current assets of $57,179 and current liabilities of $20,922. Of the 2,000,000 no par value shares authorized, 1,660,005 have been issued of which 900 shares were issued to the vendors of the property. Last April, 1933, 410,000 shares were issued to financial sponsors at 24½ cents each; a further 100,000 shares at 40 cents; 100,000 shares at 50 cents; 50,000 shares at 70 cents; 75,000 shares at 80 cents; and 25,000 shares at $1.50 per share.

The annual meeting of the company is called for May 9, in Toronto.

SISCOE IS FORCED TO RETURN STOCK

Co-discoverer Wins Suit to Regain 30,000 Shares in Company

An aftermath of the battle which broke loose in the Siscoe Gold Mines Co. recently was heard in the Montreal Court of Appeal last week when N. Bijakowski and two associates, co-discoverers of the Siscoe mine, won a suit to gain return from the company of a total of 30,000 shares and accrued dividends amounting to $4,200, or in default a sum of $51,000. The decision of the court also gave the men the right to obtain further damages for accrued value in the shares since the institution of the action.

Bijakowski alleged he had lent 30,000 shares to the former president, J. T. Tebbutt, while the company claimed the shares had been donated to assist the company in its early developments and that any agreement by Tebbutt had not been authorized. Dismissing the contention that the three men had given the 30,000 shares to the company to enhance the value of the stock the court ordered the shares returned. Associates with Bijakowski in the case were men by the name of Pluto and Hoffman. Siscoe announced their intention of appealing the case.

B. R. X. Gold Mines Report Quartz Width of Shaft

From Our Own Correspondent

VICTORIA.—Quartz showing across the full width of the shaft with a little free gold below the footwall, was uncovered in the B. R. X. Gold Mines shaft at the end of last week at a depth of 105 feet, it was reported by company officials. Diamond drilling at the beginning of the present year indicated a large body of commercial ore at a depth of approximately 100 ft. below the present showing.

The shaft, sinking at 54 degrees inclination, is making progress at the rate of between five to six feet a day.

DENTONIA HOPING TO OPERATE MILL EARLY THIS MONTH

Ore is Proved Up to a Depth of 160 ft. for 500 ft.

From Our Own Correspondent

VICTORIA.—With ore proved up to a depth of 160 ft. and for a distance of almost 500 ft., milling operations at the Dentonia Mine in the Greenwood district will get under way early this month.

Average gold values in the drift are stated by Major A. W. Davis, engineer in charge, to be about one-third of an ounce of gold per ton across substantial widths, with two ounces of silver. Chutes are being put in the mine to facilitate stoping and no new development work is being done at the present time.

Major Davis stated, however, that in the near future work would be started on a 1,300 ft. crosscut tunnel, which he believed would ensure additional reserves for two or three years. This tunnel taps the ore body about 840 ft., on the dip of the vein below the present tunnel level.

He stated that estimated ore reserves at present stand at about 30,000 tons and that total costs of mining and milling would be approximately $4.50 a ton.

Speaking of the extension in recent weeks of the drift at the 160 ft. level to the north of the Enterprise shaft, Major Davis said:

"This drift is now 235 ft. north of the shaft and for the past 170 ft. we have been drifting in vein matter. On the surface about 150 ft. beyond the present face of the tunnel there is good ore exposed in some cuts and I am also confident that when we continue to drift we will have another orebody to draw from before very long.

Long Overdue Mill Shows Up at Amos

The tardy arrival of part of the mill for the Thompson-Cadillac mine near Amos, Que., was reported from that town April 30. The balance of the mill is reported to be en route. Owing to the bad condition of the roads, all equipment will go to the property after the break-up.

Although much publicized for some weeks, it was noted by The Financial Post representative that the mill had not arrived April 26. Even now it will be some time before the mill arrives actually at the property, despite the fact it was advertised as having reached there.

St. Anthony Gold Mines Gets First Hydro Power

Last week witnessed the delivery of hydro electric power to the St. Anthony Gold Mines in the Thunder Bay district of Ontario, from its new 1,000 h.p. hydro electric plant. Coincident with the construction of the power house the rehabilitation of the 125 ton mill has been under way and is now nearing completion. This month it is to be brought into production on low grade ore. The pooling agreement affecting 1,400,000 shares has been dissolved as from April 2. Last March 300,000 additional shares were offered as rights to finance the power plant and this offering was over-subscribed.

Officials report that the ore on the dump as well as some 40,000 tons of tailings from operations years ago, assay approximately $8.56 per ton in gold. The financial position of the company is reported in good shape with some $50,000 in its treasury.

It is expected that the monthly production will be approximately $50,000.

McMILLAN GOLD MAY START MILL BY FIRST OF JULY

Shareholders Notified of Annual Meeting Scheduled for May 11

Shareholders of McMillan Gold Mines are in receipt of a notice calling an annual meeting of the company on May 11, 1934, at the Nickel Range Hotel, in Sudbury, Ont.

Officials report good progress is being made with the programme to have the new 125 ton daily capacity mill in operation by July 1, 1934. Messrs. Burnham and Shoemaker, consulting engineers on the mill design, expect the July 1 date for mill completion to be lived up to. At the present time the electric power line has been completed from Espanola to the mine, the transformer station has been completed at the property and it is expected that electric power will be available within the next ten days. In the meantime the mining plant equipment is being switched over from steam to electric power and development is suspended underground, until the change is completed. Originally negotiations were underway for power from the Abitibi Power & Paper Co., but in view of the fact that the Hydro-Electric Power Commission of Ontario supplies this company, which is now in receivership, Hydro has taken over the McMillan power contract.

Mill Equipment Delivered

Excavation work has been largely completed for the new mill and concrete foundations are now being poured. Practically all the mill equipment is delivered on the property except the electric motors for the mill, now on order. It was more convenient to take the mill equipment in over the winter roads than await the spring breakup. The new Goldie-McCulloch motor driven compressor has been installed, which augments to drilling capacity, and work underground will now centre on opening up the stopes for mining. The last work done underground, on the 625 ft. level, was of a most encouraging nature, officials report, when a crosscut slashed through the vein on the south side of fold showing a true vein width of 20 ft., which averaged $7, with gold at normal value.

The pool of shares which was broken on April 28, produced but little effect on the market value of the stock, which has held close to 65 or 70 cents. It is understood that while the pool has been terminated, due to the financing of company being completed, that the large shareholders particularly in New York has not sold a share and what selling that has taken place since the pool was broken was from a few shareholders in the Sudbury area.

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DISCOVERING, DEVELOPING AND SELLING NEW USES FOR CANADIAN NICKEL IN WORLD INDUSTRY
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"I don't see how they stand it"
—"It's the MATERIALS!"

120 MILES AN HOUR—sluing around corners, roaring down the straightaway. And the cars stand up, not a part gives way.

They stand up for the same reason that your car stands up when you drive down the open highway at 50, 60 miles an hour—without a worry or a thought of a breakdown.

Why? . . . because of the materials.

For years the steel and automotive industries have worked to give you that dependability so essential to your comfort and peace of mind.

One of the greatest accomplishments of modern industry has been the development of alloy steels. Steels stronger and tougher, which permit the use of lighter weight parts. Steels that make possible the modern automobile.

In this accomplishment our development and technical organization has played its part. By co-operating at all times with the steel and automotive engineers in the solution of their problems, the virtues of Nickel as an alloy with steel and cast iron have ever been kept prominently in the foreground.

This has been both an aggressive and defensive sales activity as there are other metals which are definitely competitive with Nickel, and which are also selling their virtues as alloys with steel for automotive and all other steel uses.

The fact that more than 12,000,000 pounds of Nickel were sold to the automotive industry in 1933 is largely the result of an intensive sales effort covering a period of 10 years. It is evidence of the results being obtained by our Research and Sales staff in selling Nickel to World Industry.

"THE STORY OF NICKEL" an interesting booklet dealing with the history and development of Nickel, may be had without charge by writing to the Company at 25 King Street West, Toronto.

THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED

CONIAURUM SHOWS PROFIT OF $131,415 IN ANNUAL REPORT

High Gold Price Main Factor in 5 Cents Per Share Earnings

RECOVERY LOW

Value of Bullion Produced Highest in History of Company, Recovery Lowest

With the aid of the high price of gold, by treating a lower grade ore and with a slight increase in mill tonnage, Coniaurum Mines in its sixth year of production showed a net profit of $131,415 for the fiscal year ended December 31 last. This, its first profit, was accomplished by capitalizing its deep development expenditures, amounting to $108,871, in 1933. The net profit is equivalent to five cents per share on the 2,717,447 shares outstanding.

The following tabulation gives comparative income and surplus account figures for the past two years:

Income and Surplus Account
Years Ended December 31

	1933	1932
	$	$
Bullion production ...	939,195	949,254
Less oper. expenses:		
Mine development ..	76,282	88,036
Geological exam. ...	1,791	8,424
Diamond drilling ...	9,554	10,703
Mining	309,346	449,067
Milling	116,483	113,610
Marketing	4,788	4,905
Gen. mine expense .	15,060	14,170
Silicosis assessment.	23,613	25,759
Mine off. & super.	22,871	23,403
Adminis. & gen. exp.	16,036	20,974
Operating earnings ...	343,371	190,203
Add non-operating income:		
Interest & exchange	......	15,109
Profit on sec. sold ..	†5,380	......
Rentals	......	973
Sundry revenue	21,152	377
Total earnings	369,903	206,662
Less:		
Taxes	10,000	......
Depreciation	82,831	41,454
Deep develop. w/o .	145,657	144,654
Res. for supplies ...	......	2,700
Net profit	131,415	17,853
Less: Dividend	......	80,923
Surplus for year	131,415	*63,070
Add: Prev. surplus ..	*170,661	*62,825
Silicosis adjust.	25,759	......
Less: Silicosis assess., prior year	......	44,766
Deficit forward	13,487	170,661

* Deficit.
† After option payment of $200 written off.

Earnings Per Share & Dividend Record:

	1933	1932
Earned	$0.05	......
Paid	......	$0.03

Real Profit $22,544

Contrary to the practice established by the majority of Canadian gold mines, development expenditures in 1933 were not deducted from operating expenses, but capitalized and carried as an asset in the balance sheet. Had the customary procedure been made profits would have been reduced to $22,544. The company, however, followed its customary policy of writing off pre-production development expense. In 1933, $145,657 or $1 per ton, the same as in former years, was written off. Total mine development expenditures including the $108,871 added in 1933, less write-offs in 1933 and former years, still shows $792,274 to be written off before a real profit from operations is possible.

The value of the bullion produced is the highest in the company's history owing to the existing price for gold, while the recovery per ton was the lowest. The following tabulation gives Ontario Government figures for production since inception of operations with gold valued at $20.67 per ounce:

Production Shows
(Years Ended Dec. 31)

Year	Tons milled	Daily aver.	Recov. per ton	Bullion recov.
1928	52,005	283	$5.06	$249.890
1929	103,293	295	6.45	666.549
1930	122,972	341	5.99	736.727
1931* ...	130,585	357	6.02	785.708
1932* ...	144,654	396	5.81	841,170
1933* ...	145,657	398	4.85	695.957

* Exclusive of exchange compensation.

A significant reduction was made in the production costs per ton of ore with total operating expenses in 1933 shown at $4.15 per ton, exclusive of the capitalized development charges, which would have added another 75 cents per ton. Lower operating costs may in part be attributed to decreased development work as compared with former years.

The following tabulation gives comparative production costs:

Production Costs Per Ton of Ore
Years Ended December 31

	1933	1932	1931
	$	$	$
Develop. & explor.	0.60	0.74	0.56
Mining	2.12	3.10	3.14
Milling	.80	.79	0.85
Taxes & marketing	.10	.03	0.03
General expense ...	.53	.41	0.43
Total oper. costs ...	4.15	5.07	5.01
Deprec. & write-offs	1.56	1.79	1.41
Total costs per ton	5.71	6.86	6.40

Deep Levels Explored

John Redington, mine manager, commented that 1933 development had been confined to the No. 15 and No. 7 vein systems. Later work, he said, consisted of two main drives on the 1,500 ft. and 2,000 ft. levels. These have partly opened up fair sized ore bodies, one of which is on the 1,500 ft. level. The latter has been driven on for a distance of 500 ft. The ore in the drift is drift width and a fair grade. On the 2,000 ft. level another ore lens has been explored by diamond drilling and indicated to be about five ft. wide and about 200 ft. in length. From these results it is expected that this material when mined, will grade sufficiently high for mill feed. In addition to those first mentioned, another ore body has been partially developed on the 750 ft. level. This exploration was carried on from a raise that had been driven from the No. 15 stope.

The Bishop or main working shaft has been deepened from 80 ft. below the 2,000 ft. level, to a depth of 3,150 ft. Levels have been established at 2,750 and 3,000 ft. and crosscuts have been both north and south on the 3,000 ft. level.

Exploration is being pushed west on the 3,000 ft. level as rapidly as possible toward the Goldale section in order to facilitate the prospecting of the Pearl Lake porphyry mass at greater depth.

Broken ore reserves diminished from 160,927 tons averaging $5.01 per ton to 118,310 tons, of a somewhat lower grade, Mr. Redington reported.

The balance sheet of the company as at December 31, 1933, shows a substantial increase in working capital. Investments, having a market value of $373,365, are carried at $361,881, but the nature of the investments is not disclosed.

The following is a comparative statement of current assets and liabilities together with working capital for the past two years:

Working Capital

	1933	1932
	$	$
Current assets	728,553	510,854
Current liabilities ...	51,142	35,217
Working capital	677,411	475,637

Primer Gives Timely Tips To Uninitiated Prospectors

Series Taken from Government Pamphlet Give A. B. C. of Absorbing Profession

What amounts to a primer for the green prospector has recently been issued by the Ontario Department of Mines, in the form of a folder, with map showing the main mineral fields of the province. The material contained therein seems to The Financial Post to be so timely and to the point it has been decided to run the booklet in a series of four articles. The first follows:

During the past three or four years many requests have come to the Ontario Department of Mines for information on prospecting in Northern Ontario: the most favorable areas; the most likely kinds of rock for the occurrence of minerals; and, quite often, for more detailed information regarding the cost of a prospecting venture, the equipment necessary, and the chances for success. This folder, which includes a map on the reverse side, has been prepared to meet such enquiries.

Human Factor

These requests, no doubt, are a product of the times, probably due to there being many young men in Ontario of twenty years of age or more who have never had the satisfaction of steady employment, and also many older men, both married and single, who are at their wits' end to know what to do with their time. The intense interest now being manifested throughout the province in the Prospectors Classes, which for over a quarter of a century have been a feature of the work of the department, may be indicative of a great increase in the number of prospectors during the coming season, and probably for the next three or four years. There is no doubt that the many fortunes made by individuals in Ontario since the discovery of the Cobalt silver area in 1903, and the immense areas of favorable formations yet unprospected that lie within twenty-four hours travel from the older sections of Ontario, have turned the attention of many to the prospector's occupation.

The human factor in prospecting is all-important. The beginner must first of all be an optimist, in whose heart there burns the steady flame of unquenchable hope. He must possess courage of the highest order and willingness to suffer hardship. The main essentials are good health, reasonable strength, an enquiring mind, and the determination to work.

"Gold Is Not All —"

At the present time gold is the prospector's first consideration, and probably will be for a number of years to come. It should be pointed out, however, that all metals and many non-metals are of value, and silver, copper, nickel, lead, and zinc, for which prices are now low, with the return of more stable industrial conditions may recover their former value. While the following notes refer more particularly to gold, the prospector must be eternally watchful for occurrences, deposits, or outcrops of any kind of mineral. Every new or strange deposit or sample should be investigated, even though the conclusions from previous enquiries would suggest that the samples are only waste rock.

The following notes are addressed to those who have had no previous experience in hunting for mineral, but it is assumed that the reader can at least handle a canoe, pitch a tent, and cook his own meals. It is also presupposed that he has a working knowledge of elementary mineralogy and geology, knows how to read a map, and understands the use of the pocket compass.

Financing the Venture

The prospector may be financed (a) by his own funds, (b) by grub-staking with an interest, or (c) under hire with an interest in anything found, or for wages alone.

(a) Self-finance.—If the reader decides to pay all his own expenses, he should be sure he is able to afford the time and cost. The greenhorn should by all means hire an experienced man, of whom there are a limited number available, and a good man may possibly be had by applying to the secretary of the Ontario Prospectors and Developers Association, Bank of Hamilton Building, Yonge Street, Toronto.

(b) Grub-staking. — This is the common method. Experienced men approach those they know who might be willing to advance the expenses or grub-stake, i.e. transportation costs and food. Practically all prospectors own their own equipment. Usually the prospector gets an interest in anything found, and probably a small wage besides. The beginner might get in contact with a group of friends having ready cash who wish to identify themselves with mining.

(c) Under Hire.—Experienced prospectors are retained by practically all the large mining companies. These men are paid a salary the year round and an interest, and are used for the examination of newly staked ground and for staking and preliminary development. The beginner with no experience would be more than fortunate to secure a steady position as a prospector, for, by this means, his education would be most rapid, and, if lucky, he might become independently rich. The recent discovery of the Ashley mine is a case in point, but here the finders were widely experienced men.

Equipment, Supplies, Cost

The expense of a prospecting trip depends on the distance the ground to be explored is from rail or motor transportation. With the improved motor roads now available, good prospecting ground can be reached by car. The use of airplanes gives ready access to points at long distances from the railroad, but for the beginner nearer fields in favorable rock formation are suggested, as the cost of aerial transportation is high, and only experienced men should risk the relatively great expense entailed. Besides, if one is lucky enough to find an interesting vein, it is much easier when near rail to have it examined by the mining scouts employed by many large companies. The cost of finding the Hollinger mine was actually less than $100.

A few notes on the more important articles of equipment follow:—

Canvas Canal Favored

Canoe and Paddles.—The canvas-covered canoe, painted until the canvas is smooth, has found much favor among prospectors in Northern Ontario. A small quantity of 10-ounce duck for patching should always be carried. If the canoe has just a few coats of paint it is much easier to make quick glue patches. The usual length of the prospector's model is about 17 feet, although a 16-foot craft will carry two men and limited supplies on all small lakes and rivers. If large waters must be navigated a 17- or 18-foot canoe is safer. Even with the larger canoe much time may be lost in being wind-bound on large lakes; however, an outboard motor (kicker) is now almost universally used. The canoe should be sound in construction, with sturdy battens, especially at the ends under the decks, and the "belly" fairly well pronounced, i.e. the beam at the water line should exceed that of the gunwales. The ends should be turned up slightly (Huron model), as this type will ride rough water better. A 16-foot canoe will weigh about 75 pounds; an 18-foot, about 90 pounds. Keep your canoe turned upside down when not in use.

(This pamphlet is obtainable from the department of Mines, Queen's Park, Toronto.)

EARNINGS WITHHELD BY CHEM. RESEARCH

"Not as Bad as Many Companies," President Tells Shareholders

In a financial statement and report to shareholders of Chemical Research Corp. F. F. Beall, president again tells shareholders that the company is firmly entrenched and only awaits a revival of interest in the industry to take full advantage of various patent holdings. In 1933 an additional license for 500 barrels daily was sold to the Anglo-Mexican Petroleum Co. of Mexico City and also a license for 1,000 barrel refinery to the Japanese Government.

No statement of earnings is made, but Mr. Beall states that while earnings in 1933 were not large, they compare quite favorably with the heavy deficits now being reported by most of the country's leading industrial corporations.

The balance sheet dated December 31, 1933 showed current assets of $5,806 against current liabilities of $1,277. Contracts payable are shown under liabilities of $126,480. The company has an outstanding capitalization of 800,000 shares of no par value. Under investments the company lists 600 shares of Gyro Process Co. representing 60 per cent of the total stock issued by that company.

Halliwell Gold's Issue Is For New Development

Halliwell Gold Mines is making a public offering of 250,000 treasury shares at 20 cents each to finance development work. The offering is being made by British American Industries of Montreal.

Halliwell owns a gold prospect comprising 19 claims, approximately 1,000 acres, in one block in the north central portion of Boischatel twp. joining Rouyn twp. on the west.

The plan of development outlined calls for sinking of a two compartment shaft to the depth of 270 ft., with about 1,500 ft. of lateral work on the 125 and 250 ft. horizons. The cost of this development is estimated by the company's engineers at $60,000 J. F. D. Davies, M.E., and Douglas A. Mutch, M.E., as well as Leonard Germain, A.R.S.C.S. have all reported on their property.

Two Carloads of Machinery Arrive at Golden Summit

Two carloads of machinery were recently delivered at the Golden Summit Mines property near Sesekinika Station on the T. & N. O. Railway and plans call for aggressive developments this season. The company's property is astride the Maisonville-Grenfell twps. boundary. Over 1,000 ft. of lateral work has been completed on the 100 ft. level and at present the main shaft is being put down to the 500 ft. level with a station to be established 200 ft. early in May. New buildings are being erected to accommodate additional equipment.

MINTO EXAMINING PROMISING STRIKE

New Vein Believed to be Extension of Main; 190 ft. Down

From Our Own Correspondent

VICTORIA. — Examination of a strike which may prove to be of considerable importance is now being made at the Minto mine in the Bridge River by G. Allen Crane, director and consulting engineer for the company. The vein which was cut a few days ago in the main working tunnel is believed to be the downward continuation of the main vein and if proved to be so will give an additional 190 ft. of depth below the Hagmo tunnel and almost 300 ft. below the Warren tunnel. In the Warren tunnel, milling ore was proven for almost its entire length of 400 ft. over the full width of the tunnel with good values in the face. A raise from the intermediate or Hagmo tunnel to the Warren tunnel proved the continuity and width of the ore between these two levels. A good grade of milling ore has been proven for over 500 ft. on the Hagmo level.

Coast Copper Co. Inactive Liabilities Are $1,100,610

Coast Copper Co., subsidiary of Consolidated Mining & Smelting Co., owning the copper prospect at Elk Mountain Quatsino Sound, Vancouver Island, remains inactive, according to the annual report just released.

The balance sheet shows current assets totalling $10,510, including supplies of $10,502. Current liabilities totalled $1,100,610, including $1,100,569, owing to the Consolidated Mining & Smelting Co. In addition the company has a funded indebtedness comprising 6 per cent first mortgage bonds which matured in 1926. The amount outstanding is $750,000, on which there is unpaid interest $547,850.

The authorized capitalization of the company comprising 200 shares at $5 each is all outstanding.

H. W. Waters New President of Four Nations Gold Mine

Four Nations Consolidated Gold Mines, developing a prospect just west of the producing section at Kirkland Lake, has announced that H. W. Waters, formerly general manager of the Canadian National Exhibition will devote his entire time, as president, to the activities of the company. The company recently established new headquarters in the Sterling Tower, Toronto.

Cash Nil, Liabilities $66,251 Is Report of Sunloch Mines

The 16th annual report of Sunloch Mines, subsidiary of Consolidated Mining & Smelting Co., shows no current assets and liabilities of $66,251, owing to the Consolidated Mining and Smelting Co. In addition the company has outstanding $54,000 in 10 year 7 per cent convertible debenture bonds, which were due in 1930. Interest in arrears totals $35,782. All of the authorized capitalization comprising $1,000,000 in $1 shares is issued.

NANAIMO'S PLIGHT USED AS LEVER FOR GOV'T ACTION

Slump in Coal Sales Puts Thousands on Relief

Intense suffering from the slump in the sale of coal has been felt by the town of Nanaimo, B.C., where with a population of fewer than 7,000 it is reported that over 1,200 persons are on relief. Half of the 2,000 homes in the city are occupied by miners and their families and practically 90 per cent of the recipients of relief are either underground workers or are directly connected with the business of the collieries. Faced with unprecedented conditions, the Boards of Trade of Nanaimo and similarly situated municipalities are appealing to the B. C. provincial government to take drastic action of some kind.

In this Vancouver Island town scarcely more than 500 men are employed altogether in the only active mines in the district. This condition is in sharp contrast to that existing after the war where 2,000 miners were employed working full shifts in the twelve mines which operated in the district at that time. Then it was a common occurrence for orders to exceed production and on many occasions ships were lined up in the harbor waiting to be coaled.

Blame Power and Oil

The increasingly widespread use of electricity and oil is blamed for this condition by coal operators who point out that it is impossible to reduce the price of coal to compete with these fuels. The average price to the company for a ton of coal is $4.85. If the only expense entailed was the cost of mining it and bringing it to the surface, this figure could be reduced considerably. But miners point out that a considerable portion of their expenses is contained in the grading and washing of the coal and in the upkeep of the mines, wharves and railway systems. In an effort to increase their market it is understood that companies have offered the Pacific Great Eastern Railway all the money required to install coal-burning equipment in their locomotives on long term loans without interest. It is suggested that similar offers be made to other industries.

In appealing to the Federal and Provincial Governments for aid, coalmen point out that the Federal Government levies a revenue tax of one-half a cent a gallon on imported foreign fuel oil, imported as such, but crude oil is imported free of all duty for refining purposes and the oil refining industry is heavily protected by a tax of 2½ cents per gallon on imported gasoline. This protection, they claim, amounts virtually to a subsidy on fuel oil and encourages it to compete with Canadian coal.

Ask Higher Oil Tax

Recently a delegation from Upper Vancouver Island, including Boards of Trade and City Councils waited on Premier Pattullo and his Cabinet, pointing out the serious state of the coal mining industry in the province and showing that unless something was done the loss of an 80-year old industry was inevitable.

RELIEF ARLINGTON SOLD TO PREMIER

Long-negotiated Deal is Consummated in New York, Company Announces

The long-negotiated sale of Relief Arlington Mines to Premier Gold Mining Co. was consummated recently in New York, it is announced by Dale L. Pitt, M.E., general manager of the Premier Gold Mining Co.

The purchasers take over 52 per cent of the capital stock of the Relief Arlington, with a substantial cash payment, and will take control of the management. The property is the old Second Relief Mine, 12 miles from Erie, south of Salmo in the Nelson Mining district.

Mr. Pitt reports that operations at the company will be greatly extended and the mine brought into production as soon as possible.

Poundmaker G. Promises Development Programme

Officials of Poundmaker Gold Mines, which own a prospect northwest of Rice Lake, in the Central Manitoba area, report that developments will be undertaken this summer under the direction of C. B. Dawson, B.Sc., managing director. The property was formerly known as the Selkirk Canadian, on which considerable work was done between 1921 and 1928 and the first commercial production in Manitoba is reported from this property. Additional acreage has been acquired and a small crew is at work at the property.

Canadian and New York interests headed by Gerald V. White and James Taylor Sr., New Liskeard with the New York interest represented by J. Parker Kerby, are associated in the venture. Some $650,000 is reported spent by the early operators of the property and a two compartment shaft has been sunk to the 525 ft. level with some 3,000 ft. of drifting done. The plans call for rehabilitating the plant.

Auto, Horse, & Foot Used in Cariboo Rush

Auto, horse and Shanks's mare are being utilized in daily increasing numbers as the 1934 rush to the Cariboo district gets under way, word from Quesnel, B.C., states. Every day a steady stream passes along the roadways leading to the district where Fred Wells, and his company, Cariboo Gold Quartz, have added a page to Canada's mining history last year.

It was learned that 1,100 prospectors, from the prospecting schools of Victoria and Vancouver have been given "diplomas" and with the spring, will be hot-footing it to the hills. Innumerable Cariboo farmers have already gone on the bars, and more are planning to do so once they have got their crops in. In Quesnel, many are busy fashioning "Long Tom's" of varied and peculiar designs.

COL. DREW SEES FURTHER TROUBLE FOR "HIGHBINDERS"

No Santa Claus on Exchange, Investing Public is Warned

There is no Santa Claus in the stock market game, and until people realize the fact, there will continue to be thousands of gullible investors bilked every week by the crooked promoter, Col. George A. Drew, chairman of the Ontario Securities Commission told the Transportation Club of Toronto at a luncheon last Thursday. He strongly hinted that further action against the fraudulent promoter, most of whom were not of British birth, would be taken by his Commission in the very near future.

But Colonel Drew's shafts were not all aimed at the promoter. The public, many of whom "invested before investigating," were also strongly criticized by the Commissioner. These were the kind of people, he said, who still believed in Santa Claus.

Law is Slow

The fact that in Canada where there was as yet no Fascist form of government, it was necessary to prosecute through the regular course of law handicapped his Commission in taking action against these vicious parasites. Many had already left the country and many more will leave in the next two or three months, he said. One of these organizations operating in Toronto at the present time had 200,000 names scattered throughout the province on its "sucker list.' A favorite trick was to 'phone one of their "suckers" at midnight and in an excited voice explain that if they did not buy Blue Sky common at the opening of the market the very next day they would miss out on a grand opportunity. There were very few people who could resist this appeal. But most of these experts who advised on mining and other stocks had never been further north than Bloor St. It was wrong to depend too much on the law as no amount of legislation can protect a foolish public. There was no statutory substitute for common sense, he said.

Smooth Announcers

Speaking of the radio as a weapon of these financial racketeers, Col. Drew said:

"Some dulcet-toned announcer usually gives a pleasing survey of the day's activities on the stock market, interspersed with music or other appropriate diversion, and then in the end the dear public is invited to write or telephone and ask for advice from their technical expert without obligation of any kind. Free advice always sounds attractive, and it is always the most dangerous."

From the names thus acquired the racketeer compiles his sucker list which he sells.

Col. Drew referred to the case of the "Old Prospector" as typical of the smooth way these radio tipsters work. This man, prosecuted by the commission, has now left the country.

Describes Boiler Room

He described the "boiler room" of unscrupulous brokers, a room in which a group of high pressure telephone operators work a battery of telephones, calling, one after another a chosen list of names, handed them by the organizer of their activities.

"The trouble is," said the commissioner, "that all too few people are prepared to be quite honest about their attitude toward their Exchange transactions. Buying for quick profit, without regard to the merits of the stock, is not investing. It is gambling, pure and simple. The man who buys a stock and looks only to the Exchange quotations is not investing in Canadian mining or Canadian industry. He is not basing his confidence upon the future expectations of the company, but on the expectation that other people with an equal gambling spirit will also rush to buy and run up the quotations on the stock which he has bought. If that is the attitude in which he deals on the Exchange, then no law can protect him, because the same factors of gullibility and hysteria which run prices up unduly rapidly will run them down just as quickly."

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AGENCIES: EDMONTON REGINA

PANDORA MEETING OUSTS DIRECTORS PLANS NEW AUDIT

Only One Old Face on New Board After Stormy Meeting

An almost complete shake-up in the ranks of the Canadian Pandora directorate occurred at the annual meeting of the company in New Liskeard last Saturday, April 28, when only one member of the old board was returned to office by the shareholders, after one of the bitterest proxy battles in Canadian mining history.

The new board of directors comprises: G. R. Snyder, New York; Homer Sutcliffe and W. A. Taylor, New Liskeard; J. E. Chollette North Bay; Douglas A. Mutch, Haileybury; Arnold Ivey, and N. E. Phipps of Toronto. Ivey was the re-elected member.

As president to succeed C. B. Stevenson, the shareholders chose W. A. Taylor. J. W. Brown, former vice-president was also ousted.

Week before, at the first session of the annual meeting, the vote was so heavy, both by proxy and in person, that the three scrutineers were allowed a week to count them. Nearly two million shares of stock were represented.

Besides questions of policy, one of the bones of contention was the right of certain shareholders to vote. The list of shareholders in whose names certificates had been issued, represented, it was claimed, only a small percentage of the actual owners of the stock. It was finally decided to use the list as contained in the company's books.

Shareholders ordered the new board to secure the services of an independent firm to audit the books, from the inception of the firm, which was in 1931.

The policy of the old order receive another blow when shareholders revoked the decision of the former board to move head office from New Liskeard to Toronto.

No announcement was made as to the status of Douglas A. Mutch, who, as mining engineer, was dismissed, or resigned, under the aegis of the former president. Mr. Mutch is now one of the directors of the company.

RANDALL IS BUSY WITH NEW PLANT

Prepare Surface for Machinery Purchased from Fisher, Quebec

From Our Own Correspondent

AMOS.—The Randall property, at Fisher, Que., presently being developed under the direction of Quebec Gold Mining Corp., has operations centred on preparing the surface for erection of mine buildings to house the machinery purchased from the Fisher-Quebec property neighboring the Randall. All the light equipment has been transported to the property, but the heavier parts will be brought in after the break-up when the roads are in better shape. The new plant is replacing the one destroyed by fire last year.

Pending the arrival and installation of the plant, a crew is at work sinking the new shaft by hand steel. This shaft is being put down on the dome of quartz upon which the first spectacular showings of gold were made by Alfred Tremblay, president of Mines Development Corp., late in the fall of 1932. As the shaft goes down visible gold continues to be uncovered. Sinking will be speeded up when the plant has been installed.

Policy of Lakeland Gold Surprise to Shareholders

Following a wave of publicity for the construction of its new mill and painting an inviting picture of the earnings in store shareholders of Lakeland Gold Mines were surprised to receive a notice of a meeting to be held in Hamilton on May 8 for the purpose of increasing the capitalization from $4,000,000 to $5,000,000 by the creation of 1,000,000 new shares of $1 par value.

New York interests which have been financing the operations since February, have asked for a continuation of the stock pool until August 15 in order that their financial plans may not be interfered with.

A complete reorganization of the operating staff has also been announced with Charles B. Morgan as mine manager.

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Teck-Hughes Sets Profits At $801,841 for Quarter

Quarterly earning statement by Teck-Hughes Gold Mines, covering the three months ended February 28, 1934, shows a net profit estimated at $801,841, equivalent to 16.7 cents on the 4,807,144 shares outstanding. The following tabulation gives comparative figures for the three months, also the six months period ended February 28.

	3 Mos. ended Feb. 28 1934	6 Mos. ended Feb. 28 1934
	$	$
Gross income	1,564,103	3,048,303
Oper. costs	602,914	1,214,092
Net earnings	961,189	1,834,211
Less: Est. taxes	98,748	185,913
Est. deprec.	60,600	121,200
Net profit (est.)	801,841	1,527,098
Earns. per share†	$0.167	$0.318

Liabilities of $35,007 Shown By George Gold Copper Co.

Annual report of George Gold-Copper Mining Co., subsidiary of the Consolidated Mining & Smelting Co., and owning a copper prospect on Bear River 20 miles north of Stewart, B.C., shows current liabilities totalling $35,007, comprising advances by the Consolidated Mining & Smelting Co. No current assets are reported. The company has a capitalization of $1,500,000 in $1 shares, all of which are issued. There has been no development at the property since 1929.

Amalgamated Metal Firms Have Profit of £236,709

The financial statement of the Amalgamated Metal Corp., a British concern which acts as selling and marketing agents for the International Nickel Co., and Consolidated Mining & Smelting Co. in Europe, shows a gross income from its subsidiary companies, British Metal Corp. and Henry Gardner & Co., of £238,750 Net profits for 1933 are shown a £236,709.

The balance sheet shows current assets of £167,586 and 900,000 preferred shares and 1,412,500 ordinary shares in the British Metal Corp. also 1,000,000 ordinary shares of Henry Gardner & Co.

An Open Letter to the Public

Two weeks ago the Toronto Stock Exchange made an announcement in the press of their intention to investigate the circumstances surrounding the sharp decline in the market price of Maple Leaf Mines shares on Monday, April 9th.

Many interpreted this to be an investigation of Maple Leaf Mines. This was not the case. The Exchange investigation was into the transactions on the Exchange in the shares in question.

On the instructions of the Board of Directors of Maple Leaf Mines, Mr. Fraser Raney and myself requested a hearing and attended a meeting of the Managing Committee of the Toronto Stock Exchange on Tuesday, April 10th. We volunteered any assistance that we could give to the Exchange in conducting the investigation, but were informed that it was only brokerage transactions that were in question. We, thereupon, in order to clear up any false impression which might have been given by the first notice, requested that the result of the investigation should be given the same prominence as the notice of the investigation itself. We were assured that this would be done.

The investigation has now been concluded. The Exchange has made no statement to date, but in view of the circumstances above stated, it is incumbent on me to make this explanation, together with the further statement that the investigation has only confirmed what Mr. Raney and I told the Managing Committee of the Exchange on Tuesday, April 10th, that neither this Company, or its officials, or its directors, or its fiscal agents, Mid-Canada Exploration Company, Limited, were in any way responsible for or connected with the decline in the shares of Maple Leaf Mines on the day in question.

Howard L. Walker,
President,
MAPLE LEAF MINES, LTD.

Toronto, April 26th, 1934.

McKENZIE SHOWS 37,819 TONS ORE CONSIDERING MILL

Ore Grade .37 Ounces—Mining Corp. Joins in Further Financing

First annual report of McKenzie Red Lake Gold Mines shows development work in 1933 on the 150 and 250 ft. levels delimits about $440,000 in ore with gold at $31.50 per ounce. Allowing for the extension of the ore 70 ft. above and below each level, it is estimated that the total amount of ore available is 37,819 tons, containing 13,992 oz. of gold, or a grade of .37 ounces per ton.

The report, which appears over the signature of John W. Shaw, manager, shows on the 150-ft. level, a length or 320 ft. of ore averaging .38 oz. per ton across an average width of 5 ft. On the 250-ft. level, the ore length is 304 ft. and averages .36 oz. across a width of 5.4 ft.

Previous owners had opened up the surface discovery over a length of 270 ft. by trenching and test pits. Sampling of these gave an average value of $15.47, normal price, across an average width of 10 ft. 8 inches. Subsequent diamond drilling indicated ore along the strike of the vein for about 1,200 ft. On June 2, 1933, a compartment shaft was started reaching a depth of 272 ft. late in 1933. Stations were established at the 150 and 250 ft. levels. The main shearing was encountered in the shaft at 192 ft., and continued to a depth of 234 ft.

Drifting Since Jan. 1, 1934

On Nov. 15 drifting started, and main vein was cut. By end of year 372 ft. of drifting had been done on the 150-ft. level, and 418 ft. on the 250 ft. level. In a supplementary report dated April 13, Mr. Shaw states that this drifting was increased to 437 ft. on the 150-ft. level, and 440 ft. on the 250-ft. level by April 1, 1934.

Additional crosscutting at this date amounted to 70 ft. on the first level, and 37 ft. on the second. A raise has been driven to a height on the dip of the vein, of 121 ft. above the north drift on the 250-ft. level, and, on the same level, to 31 ft. above the south drift.

Mr. Shaw states that at least 75 per cent of the development since the first of the year was in ore. Recently a high grade vein was cut on the 250-ft. level. This shows a length of 120 ft. of ore having an average value of .60 oz. and an average width of 5 ft. 4 in.

A winze is being sunk on the vein from the 250-ft. level to the 350-ft. level. A ton sample of the ore has been sent to the Government testing laboratories at Ottawa.

Acquire More Claims

In April of last year, an agreement was made to sell 700,000 of the treasury shares to net the company $200,000.

Later, in consideration of $2,423 and the issue of 17,500 fully-paid shares, the company acquired three claims adjoining the property on the south, to protect the strike and dip of the vein, making 10 claims in all.

To the end of 1933 the company received $120,005 from the sales of 525, 005 treasury shares.

In order to provide funds for the possible installation of a mill, the company have made an agreement to sell an additional 500,000 shares, for $250,000. The Mining Corp. has joined in the financing of the company and M. F. Fairlie, managing engineer of Mining Corp. has joined the Mckenzie board of directors.

The balance sheet of the company dated Dec. 31, 1933, shows current assets of $45,722 and current liabilities of $4,219. In addition there are deferred payments due on the property totalling $50,000. The outstanding capitalization was 2,250,838 shares as at March 21.

North Shores Gold Mines Expects Production Soon

Production by the middle of this summer can be expected, shareholders are advised by A. G. Palmer, president of North Shores Gold Mines, in a report issued last week.

Messrs. Burnham & Shoemaker have been retained to design the mill and part of the milling equipment has been procured. Power will be supplied by Diesel engines, which are to be purchased when the size is determined.

Work at the property has been proceeding and a total of 500 ft. of drifting on the first level has been completed. Of this two thirds was in commercial ore.

The company's property is just north of Schreiber, on the north shore of Lake Superior, in the Thunder Bay District of Ontario.

Bunker Hill Mines Plan To Reduce Capitalization

Shareholders of Bunker Hill Extension Mines are in receipt of an announcement calling an annual meeting on May 9, in Toronto to approve of a change in the capital structure from the present 5,000,000 shares of no par value to 1,000,000 like shares. It is also proposed to invest $3,000 in the purchase of 30,000 shares with capital stock of Willastone Mines to provide monies for the development of its properties situated at Boston Creek, Ont., also to provide funds to purchase further shares under option.

Veraguas Mine Produces 1,505 Gold Ounces in March

March production by the Veraguas Mine in Panama, subsidiary of the McVittie-Graham Mines, is reported at 1,505 ounces of gold, which at $35 per ounce is equivalent to a monthly production of $52,675. Ore treated during the month totalled 855 tons or a daily average of about 28 tons. Production since the commencement of operations last November totals $175,675.

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At the Mines

Aldermac Mines—News from Montreal states that the Aldermac Mill, closed since late in 1933, started up again a few days ago. In a recent annual report it was stated that a contract for sale of considerable of the company's pyrite had been arranged. Shaft enlargement is being carried on.

* * *

Barry Hollinger—Production of this mine for April will be about $17,500 with approximately $3,000 clear profit, Colin Campbell, manager reports. The company recently acquired the Patterson group of claims, and now holds a total of 13 claims at Boston Creek, Ont.

* * *

Canam Metals—It is reported this company, which has been inactive in Canada for some time, has acquired the Golden Horn group of claims near Gunnar Gold Mines in central Manitoba.

* * *

Diana Gold Mines—This property formerly owned by Gem Lake Gold Mines, and on which $500,000 has been spent, will shortly have its new mill in operation, company officials report. The Mill, a 50 ton one, will be under the supervision of E. P. Sawyer.

* * *

Duparquet Mining Company—Arrangements have been made for Minefinders Ltd., of Toronto, to make a complete geological study of the company's property reports J. McWilliams, secretary of the company.

* * *

Jackson Manion Consolidated Gold Mines—D. M. Thomson, general manager of the Jackson Manion in the Patricia district, Ont. reports that the 25 ton mill started operations on Monday, April 30. Plans are now under way to increase the capacity of the mill to 100 tons daily.

* * *

MacLeod-Cockshutt Gold—With an objective of 150 ft. the sinking of the shaft in this mine is down about 30 ft., it is reported. Plant and machinery have arrived at the property.

* * *

Malrobic Mines—A by-law approving the increase in the capitalization of Malrobic Mines from 3,000,000 to 4,500,000 shares of $1 par value, was passed at a special general meeting of this company prior to the annual meeting.

* * *

McLeod River Mining Corp.—Dredging operations have been resumed on the company's property on McLeod River near Pears, Alta., report officials. Operations were suspended during the winter season following an unsuccessful attempt to recover gold from the company's river leases, owing, it is reported to metallurgical difficulties.

* * *

Waverly Tangier Mines — Shareholders have approved re-organization of this company involving a reduction in the number of shares from 8,000,000 to 4,000,000 and change in par value from 25 cents to 50 cents. The plan calls for increase in capitalization by 2,000,000 shs. of 50 cents each. Shareholders have agreed to place all their shares in escrow when turned in for exchange to the new basis.

Hope To Work Old Bousquet To Mill Stage

Near Willisville, Ont., some 65 miles west of Sudbury, operations resumed at the old Bousquet Gold Mines are attracting great interest.

The company incorporated in 1920 was inactive several years until early in 1933 when Lionel Brooke took an option and started the rehabilitating of the property. Late in November last the first ground was blasted out toward deepening the shaft from 107 to 150 feet where a station has been established.

Sampling of the Rivers vein on the surface showed a gold content of .47 ounces over a width of 26 inches for 382 feet. For a depth of 110 ft. or until the vein dipped out of the shaft it averaged .85 in gold over a width of 32½ inches with channel samples taken at 5 ft. intervals. Cross-cutting on the 150-ft. level encountered a vein 10 ft. south of the shaft. Here eight channel samples average 1.09 ounces of gold over a width of 30 ft. and now a cross cut south is to be driven to explore other parallel veins.

In a report to shareholders Mr. Brooke, now managing director states that development has reached the point where tonnage will be put in sight rapidly and it is his expectation that sufficient ore will be developed to justify consideration as to milling.

Post's Calendar Of Meeting Dates

May 3—Int'l. Mining Corp. at Wilmington, Del.
May 7—Eldorado at Toronto.
May 8—Base Metals Mining Corp. Ltd. at Toronto.
May 8—Dome Mines at Toronto.
May 8—Coniaurum at Toronto.
May 8—Hudson Bay Mining & Smelting Co. Ltd. at Toronto.
May 9—Little Long Lac at Toronto.
May 9—Bunker Hill at Toronto.
May 9—Ashley Gold Mining Co. at Toronto.
May 9—Mining Corp. at Toronto.
May 11—McMillan Gold at Sudbury.
May 18—Macassa Mines, at Toronto.

Mining Stock Quotations

Week Ending April 30.

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Apr. 23 (or last)	High for week	Low for week	Close Apr. 30
1	.06	.01	Aconda	14,000	.02½	.02¾	.02	.02½
No	.33	.13	Aldermac	41,104	.27½	.28	.25	.26
1	.10	.02¾	Alexandria	103,600	.06½	.07	.05½	.06
No	.18	.12	Algoma (new)	100,100	.13	.17½	.12	.17
1	.04	.01¾	Amity Copper	85,650	.03	.02¾	.02½	.02¾
No	4.00	2.00	Anglo-Huronian	4,240	4.00	3.95	3.75	3.95
1	.08½	.03	Area	10,000	.05½	.05½	.04½	.04¾
No	.20	.03½	Arno	2,000	.05½	.05½	.05	.05½
1	1.25	.90	Ashley	11,600	1.05	1.06	.95	.95
1	.60	.04	Bagamac	504,025	.29	.30	.23	.25
1	.04½	.00½	Baldwin	189,100	.03¾	.04	.03¾	.04
1	.22	.12½	Barry Hollinger	39,175	.16½	.17	.15½	.16
1	2.05	1.48	Base Metals	7,215	1.67	1.68	1.50	1.55
5	.91	.44	B.E.A.R.	172,765	.58	.59	.44	.45½
1	.51	.27½	Big Missouri	24,452	.31	.33	.27½	.28
1	.64½	.23	Bobjo	88,385	.51	.53	.48	.50
1	2.70	2.55	Bradian	2,860	.....	2.70	2.55	2.55
No	15.50	9.90	Bralorne	3,030	13.50	14.00	13.25	13.25
1	.16	.09	Brett Trethewey	9,900	.11½	.11	.10	.10½
50c	1.40	.28½	Bridge River Ex.	36,280	1.30	1.38	1.10	1.10
1	.09	.01½	Brownlee	155,580	.05	.05½	.04½	.04½
1	.02½	.00¾	Buckingham	15,000	.01¼	.01¼	.01¼	.01¼
No	.14	.06½	Buffalo Can.	38,000	.11	.12	.09¾	.10
5	34.50	23.50	Bulolo	2,441	31.50	34.50	32.00	33.50
No	.05½	.01½	Bunker Hill	192,350	.04¾	.04¾	.03½	.04
5s	1.20	1.00	B'Wana McKubwa	......	1.20	.....	.....	.....
No	.14	.02¼	Canam Metals	3,300	.09½	.06	.06	.06
1	.20	.07½	Can. Kirkland	139,700	.11	.11	.08	.08½
No	.72	.38	Can. Malartic	13,525	.59	.60	.54	.54
1	.02½	.00½	Capital Rouyn	36,600	.01¼	.01¼	.01¼	.01¼
1	2.85	1.75	Cariboo Gold	11,700	2.10	2.55	1.95	2.48
1	.09	.01	Cartier Malartic	14,100	.07	.07	.06	.06
1	.81½	.49	Castle Trethewey	22,745	.68	.66	.60	.61½
1	.16	.07	Cen. Manitoba	22,050	.11	.11	.10	.10
1	.79	.50	Cen. Patricia	77,295	.75	.76	.67	.71
No	.16½	.05½	Chibougamau Pros.	310,600	.14½	.16	.12½	.13
No	.15½	.09	Church. M. & Mill.	43,600	.10¾	.11	.09	.09
No	.14	.08	Clericy (new)	56,950	.10½	.10¾	.08	.08½
1	.03½	.01	Clifton Cons.	23,650	.02¾	.02¾	.02	.02
5	5.75	4.00	Coast Copper	275	5.35	5.20	4.80	4.80
1	.06¾	.04½	Cobalt Contact	58,200	.05½	.05½	.04½	.04½
1	.94½	.30	Columario	58,945	.37½	.41	.33	.33
5	2.45	1.35	Coniagas	550	2.00	2.10	2.00	2.00
No	1.60	.97	Coniaurum	8,904	1.35	1.36	1.20	1.25
25	170.25	132.00	Cons. Smelters	627	166.00	167.00	162.00	162.00
No	40.50	32.00	Dome Mines	3,480	38.00	37.70	36.30	36.30
No	.07½	.04	Dom. Explorers	6,500	.04¾	.04¾	.04	.04¾
1	.02½	.00¾	Dominion Kirk.	3,000	.01½	.01½	.01½	.01½
1	.02	.00½	Don Rouyn	......	.00¾	.....	.....	.....
1	.17	.01	Duparquet	538,200	.10	.17	.10	.16
1	4.35	2.90	Eldorado	66,846	3.55	3.60	2.90	3.03
No	4.15	3.00	Falconbridge	8,991	3.81	3.97	3.70	3.75
1	.11½	.01¾	Federal	42,600	.07	.07	.06	.06½
No	.07	.02¾	Gilbec	53,800	.05	.05	.04½	.04¾
No	1.75	.70	God's Lake	27,645	1.46	1.50	1.35	1.41
1	.18	.08	Goldale	37,800	.17	.17	.15	.15
10	.57	.16	Goldfield	1,800	.32	.33	.32	.33
1	.43	.30	Goodfish (new)	13,550	.34	.34	.30	.30
1	.18½	.02½	Graham Bosquet	69,800	.10½	.11	.09	.10½
1	1.09	.60	Granada Rouyn	37,250	.85	.85	.74	.76
1	1.22	.66	Greene Stabell	279,810	.93	.94	.85	.87
1	.18	.05	Grozelle	......	.14	.....	.....	.....
1	.48	.30	Grull Wihksne	7,900	.47	.47	.43	.46½
1	1.80	1.44	Gunnar Gold	42,275	1.65	1.80	1.55	1.55
1	.53½	.30	Halcrow Swayze	129,100	.34	.37	.30	.35
1	.15	.03¾	Harker	98,708	.12½	.13½	.10¾	.11½
1	.02½	.00¾	Hilltop	24,500	.01¾	.01¾	.01¾	.01¾
5	19.50	11.40	Hollinger	43,014	16.50	16.75	14.80	15.45
1	1.39	.93	Howey Gold	119,085	1.25	1.28	1.10	1.25
No	14.50	9.00	Hudson Bay	1,959	13.80	13.75	13.25	13.25
1	14.25	10.45	Inter. Mining	1,000	13.75	14.00	13.75	13.75
	6.25	4.00	Do., Pur. Warr.	850	6.00	6.25	5.75	5.75
No	29.00	21.15	Int. Nickel	34,539	28.25	29.00	27.70	27.70
1	.12	.02¾	Jackson Manion	191,900	.09½	.10½	.09½	.09¾
1	.03	.00¾	Keora Mines	27,500	.02½	.03	.02¾	.02¾
1	.73½	.45	Kirk. Hud. Bay	12,635	.57	.70	.59	.70
1	.05	.00¾	Kirk. Hunton	34,950	.03½	.03½	.02½	.02½
1	.76	.29	Kirkland Lake	53,770	.61	.62	.54½	.54½
1	.40½	.21	Kirk. Townsite	8,900	.29	.31	.28	.29
20c	.02¾	.01½	Koot. Florence	7,500	.02½	.02¾	.02	.02½
1	.23	.11	Lakeland	29,050	.17	.18½	.15	.15
No	.18	.07	Lake Maron	27,800	.09½	.09¾	.08½	.08½
1	.03	.01	La Rose	2,500	.02	.01½	.01½	.01½
1	54.50	42.00	Lake Shore	8,694	53.00	53.00	49.25	49.25
1	.26	.08	Lebel Oro	180,350	.18	.19	.16½	.17
No	.22	.12	Lee Gold	37,300	.15½	.16	.13½	.14
No	4.60	4.10	Little Long Lac	9,425	.....	4.60	4.10	4.20
1	3.05	1.85	Macassa	54,267	2.90	2.95	2.58	2.65
1	.08½	.01½	Malrobic	73,100	.06¾	.06¾	.05	.05½
No	.17	.06	Mandy	3,600	.13	.14	.12	.13
No	.04	.02	Manitoba Basin	......	.03½	.....	.....	.....
1	1.00	.60	Maple Leaf	168,065	.71	.71	.60	.62
5	50.00	30.25	McIntyre	4,945	46.50	46.64	44.50	44.50
1	1.30	1.01	McKenzie R. Lake	33,400	1.13	1.28	1.08	1.28
1	.55	.50	McKinley	800	.50	.50	.50	.50
No	.06¾	.01½	McLeod River	474,200	.04½	.06¾	.04½	.06½
1	.73	.39	McMillan	115,000	.68	.69	.60	.64
No	.53	.25	McWatters	30,800	.44	.45	.41	.45
1	1.21	.65	McVittie	61,575	.83½	.85	.70	.70
5	1.50	1.25	Mentor Exp. & Dev.	200	1.25	1.50	1.50	1.50
No	2.47	1.60	Mining Corp.	7,576	2.15	2.12	1.90	2.00
1	.08½	.02½	Moffatt Hall	126,250	.07	.07	.06	.06
1	.20	.08½	Moneta	1,600	.11½	.13	.13	.13
1	.04	.01½	Murphy	29,500	.02½	.03	.02½	.02½
No	.09½	.02	Newbec	139,800	.05	.07½	.05	.06
1	.06¾	.03	Night-Hawk Penn.	43,700	.06½	.06½	.05	.05
5	2.85	2.25	Nipissing	3,780	2.30	2.40	2.25	2.30
No	44.75	33.25	Noranda	13,466	42.75	42.75	39.75	39.75
No	.54	.29	Nor. Canada	9,500	.35	.40½	.35	.39
1	.27	.11	Osisko	11,500	.13½	.17	.15	.17
1	.71½	.36	Parkhill	74,025	.60	.67	.54	.64½
1	.06	.01½	Pawnee Kirk.	18,700	.04½	.04½	.03½	.03½
1	.31½	.19	Paymaster	73,252	.28	.30	.24	.25
1	1.40	.72½	Pend Oreille	25,235	1.08	1.10	.91	.92
1	.05½	.02½	Peterson Cobalt	19,000	.04¾	.95	.04¾	.04½
1	14.15	10.75	Pioneer Gold B.C.	7,250	13.50	13.95	13.00	13.00
1	.08½	.01¾	Porcupine Crown	73,300	.06¾	.06¾	.05½	.05¾
	.02	.00½	Porc. Gold Reef	......	.01¾	.....	.....	.....
1	.03	.00½	Potter Doal	108,000	.02½	.02½	.01¾	.01¾
1	1.75	1.02	Premier Gold	13,775	1.39	1.39	1.25	1.29
1	.06¾	.01½	Preston E. Dome	76,400	.05½	.06	.04½	.05
No	.60	.30	Prospectors Air's	400	.56	.50	.50	.50
1	.70	.38	Quebec Gold	72,850	.59	.58	.38	.40
No	.15	.05	Quemont	1,500	.10	.10	.09¾	.10
1	1.25	.27	Read Authier	40,645	1.02	1.03	.97½	1.00
1	1.29	.87	Reno Gold	53,900	1.01	1.04	.90	1.03
1	.02¾	.00¾	Ribago	46,700	.01¾	.01¾	.01½	.01¾
1	.05¾	.01¾	Ritchie	78,200	.04½	.04½	.03	.03½
1	.11¾	.01¾	Robb Montbray	119,000	.09¾	.09¾	.08½	.09
1	4.10	1.75	San Antonio	34,774	3.99	4.00	3.61	3.77
1	1.45	.99	Sherritt Gordon	21,292	1.22	1.25	1.15	1.15
1	2.64	1.43	Siscoe	112,000	2.36	2.37	2.13	2.17
1	.07¾	.02½	South Keora	16,300	.05½	.07	.05½	.06¾
No	.26½	.10	South Tiblemont	79,065	.12½	.13	.11	.11½
No	.26	.08½	Stadacona	100,092	.22½	.25	.20	.25
1	.63	.31	St. Anthony	142,871	.51	.63	.52	.61
No	2.00	1.00	Sudbury Basin	11,455	1.70	1.80	1.65	1.65
1	.16½	.07	Sudbury Contact	13,700	.12	.12	.10	.10½
1	.11½	.00¾	Sudbury Mines	231,900	.11	.11	.08¾	.10½
No	.18	.18	Sudbury Nickel	......	.18	.....	.....	.....
1	.50	.25	Sullivan	33,300	.41	.41	.39½	.40
1	3.20	1.29	Sylvanite	69,515	2.84	2.86	2.40	2.61
1	8.05	5.75	Teck Hughes	103,155	6.85	6.85	6.05	6.10
1	.59	.20	Thom. Cadillac	42,150	.53	.52	.47	.49
1	.76	.26	Towagmac	28,600	.62	.70	.58	.60
1	.85	.35	Treadwell	1,225	.64	.65	.51	.58
1	.25	.18	United Kirkland	......	.25	.....	.....	.....
No	.02¾	.01½	Vacuum Gas	6,500	.02½	.02¾	.02	.02½
No	1.12	.77	Ventures	38,855	.97	.95	.89	.90
1	.03½	.01¾	Vickers	43,200	.02½	.02½	.02½	.02¾
No	1.53	1.10	Waite Amulet	6,940	1.35	1.40	1.25	1.31
50c	.50	.35	Wayside	206,550	.38	.45	.36	.42
No	.43	.31½	White Eagle	56,010	.37½	.37	.34	.35
1	.07½	.03½	White Lake	6,000	.04¾	.05½	.04½	.04½
1	.18	.07	Wiltsey Coughlan	11,300	.13½	.14	.11	.12½
1	.20	.05	Wood Kirkland	16,800	.15	.17	.15	.15
No	10.25	6.75	Wright-Hargreaves	32,990	9.65	9.70	8.60	8.85

OIL STOCKS

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Apr. 23 (or last)	High for week	Low for week	Close Apr. 30
No	.33	.17	Acme Gas & Oil	67,950	.30	.31	.28	.30
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	1.02	Ajax	5,350	1.21	1.27	1.15	1.15
1	.25	.15	Alta. Pacific	3,450	.16	.17	.15½	.17
No	.35	.20	Associated	7,365	.24	.24½	.21	.21
No	.13	.06½	Baltac	5,150	.07½	.07½	.07	.07
No	1.60	.95	Calgary & Ed.	8,085	1.25	1.50	1.25	1.41
1	.15	.10½	Calmont	4,700	.12	.12	.10½	.10½
1	.12	.06	Common. Pete.	5,500	.09¾	.09¾	.09	.09½
No	.65	.46	Dalhousie	4,920	.51	.50	.46	.47
No	.30	.18	East Crest	1,400	.20	.19½	.18	.18
No	.58	.09	Erie Gas	2,700	.47	.47	.38	.38
No	.75	.40	Foothills	600	.45	.50	.50	.50
No	1.90	1.55	Home	6,765	1.67	1.66	1.55	1.57
No	.05	.02	Homestead	......	.05	.....	.....	.....
1	.16½	.13	Homestead O. & G.	5,700	.14½	.14½	.14	.14½
No	.44	.20	Lowery	500	.27	.29	.29	.29
No	.42	.26	Merland	6,400	.27	.28	.27	.27
1	.48	.25	Midwal	600	.43	.39½	.34	.34
5	.17½	.09	Nordon	8,000	.14	.14	.12	.12½
No	.09	.05	Oil Selections	28,300	.06½	.06½	.05½	.05¾
No	.34	.19	Oiga Gas & Oil	77,600	.24½	.30	.23	.29
1	1.10	.75	Petrol Oil & Gas	......	.80	.....	.....	.....
No	19.55	17.00	Royalite	952	17.25	17.50	17.00	17.25
1	.13	.07½	Sarnia Oil	5,250	.10½	.10½	.08½	.09½
No	.17	.10	South West Pete.	900	.11	.11	.11	.11
No	.70	.60	Sterling Pacific	150	.63½	.63½	.60	.63½
No	.97	.65	Wainwright West	17,900	.75	.77	.70	.72

VANCOUVER STOCK EXCHANGE
(Transaction for Week to April 25.)

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Apr. 18 (or last)	High for week	Low for week	Close Apr. 25
1	.09½	.04½	Alexandria	20,800	.07	.07	.06½	.06½
25c	.03½	.01	Bayview	17,000	.02½	.02½	.02	.02
20c	.08½	.05	Beaver Silver	2,200	.05	.05½	.05½	.05½
25c	.06½	.04	Big Slide	......	.05	.....	.....	.....
25c	.03½	.02	Bluebird	......	.02	.....	.....	.....
1	3.00	2.10	Bradian Gold	10,299	2.65	2.80	2.50	2.75
No	15.00	9.85	Bralorne	3,045	13.00	14.00	13.00	13.25
1	.48	.20	Bridge River Cons.	95,400	.40	.46	.36	.42
50c	1.28	.28	Bridge River Exp.	114,825	1.00	1.28	.94	1.15
50c	.27	.23	B. R. Mountain Gold	200	.23	.25	.25	.25
100	99.00	99.00	B. C. Electric, pref.	......	99.00	.....	.....	.....
1	1.39	.51½	B. C. Nickel	387,080	.63	1.39	.60	1.28
1	1.25	.90	B. C. Silver	200	1.00	.90	.90	.90
50c	.29	.20	Butte I. X. L.	16,550	.25	.25	.20	.22
	.24	.20	Can. Rand	95,850	.23	.24	.22	.22½
1	2.90	1.90	Cariboo Gold	17,330	2.00	2.25	1.90	2.20
No	12.00	8.75	Coast Breweries	1,948	10.50	12.00	11.00	11.25
1	.45	.21	Congress Gold	44,340	.39	.45	.36½	.42
25c	.02	.01	Cork Province	......	.01	.....	.....	.....
1	.06	.01½	Dalhousie Mines	51,500	.05¾	.05¾	.05¾	.05¾
	.08½	.06	Dawson Gold	......	.07	.....	.....	.....
No	2.07	.25	Dentonia	239,120	1.80	1.68	1.40	1.44
1	.45	.28	Dunwell	12,760	.38½	.37	.35	.35
No	.44½	.28	Fairview Amal.	61,380	.41	.40	.34½	.35
1	.12	.07½	Federal Gold	8,700	.09	.10	.09	.10
1	.42	.30	George Copper	1,000	.32	.32	.32	.32
50c	.02½	.02	George Enterprise	......	.02	.....	.....	.....
1	.06½	.02	Georgia River	40,800	.02¾	.02¾	.02	.02
50c	.08	.01	Glacier Creek	4,300	.07½	.07½	.06	.06
1	.63	.37	Golconda	17,000	.42	.45	.37	.37
5c	.20	.14	Golconda Ex.	600	.16	.14	.14	.14
50c	.63½	.27	Gold Belt	20,250	.59	.59	.54	.55
50c	.51	.35	Gold Mountain	2,000	.38	.40	.36	.36
50c	.06	.03	Grandview	7,700	.03½	.03½	.03	.03
No	.35	.16	Grange Mines	47,084	.30	.34	.25	.32½
1	.50	.28	Grull Wihksne	173,850	.44	.50	.40	.46
No	.16	.08	Haida Gold	4,000	.11½	.11	.10	.10
No	.29	.22½	Hedley Sterling	19,300	.25	.26½	.22½	.24½
1	.09¾	.04¾	Hercules Cons.	190,000	.07¾	.08¾	.07	.07¾
No	.28	.07	Home Gold	63,144	.26½	.27	.23	.24
1	.02	.01	Independence	6,000	.01¾	.01¾	.01¾	.01¾
1	.04	.01½	Indian Mines	1,000	.02	.02	.02	.02
1	.15	.10	Inter. Coal	8,100	.12	.12	.12	.12
1	.40	.29	Jack Waite	1,000	.40	.39	.39	.39
50c	.50	.19	Kootenay Belle	42,300	.39	.50	.36	.49
25c	.02	.01	Kootenay King	3,000	.01½	.01	.01	.01
25c	.01½	.00½	L. & L. Cons.	......	.01	.....	.....	.....
1	.01½	.00¾	Lakeview	......	.01	.....	.....	.....
	2.95	2.40	Little Long Lac	......	2.95	.....	.....	.....
10c	.06	.04	Lucky Jim	3,100	.05	.04	.04	.04
No	.40	.11	Mak Siccar	35,000	.26	.40	.27	.39
50c	.01½	.00½	Marmot Metals	......	.00¾	.....	.....	.....
10c	.33	.15	Meridian Min.	38,557	.19¾	.21	.15	.18½
5c	.04	.04	Metaline Metals	......	.04	.....	.....	.....
No	.85	.13	Minto Mines	273,860	.70	.85	.58	.7
50c	.15	.05½	Mogul Mining	31,700	.11	.15	.11	.15
25c	.01½	.00½	Mohawk	......	.01½	.....	.....	.....
1	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.20	Morning Star	82,200	.41	.41	.36	.37
1	.05½	.02	Morton Woolsey	14,500	.04	.03½	.03	.03
50c	.09	.03½	National Silver	69,800	.04½	.05	.03½	.03½
1	.13	.05	Native Sons	36,400	.05	.06	.05	.05
50c	1.36	.82	Nicola	88,560	1.02	1.00	.90	.90
50c	.17	.09½	Noble Five	91,300	.11½	.12½	.09½	.10
No	.11	.10	Norgold	10,711	.10½	.10½	.10	.10
1	.54	.12½	Pavilion	2,400	.50	.51	.50	.50
1	14.25	11.00	Pioneer Gold	4,980	13.00	14.00	13.00	13.25
50c	.18	.08½	Porter Idaho	22,000	.09½	.11	.08½	.08½
No	.02½	.01	Premier Border	25,500	.01½	.01½	.01	.01
No	.25½	.10	Princess Royal	......	.10	.....	.....	.....
1	.05½	.03	Quatsino Copper	4,000	.05	.05	.05	.05
50c	.19	.11	Red Hawk	1,550	.14	.14	.11	.11
No	.22½	.10	Reeves McDonald	3,300	.15	.15	.12	.13
1	1.25	.87	Reno Gold	19,350	1.00	1.05	.93	.95
1	.15	.07	Reward Mining	24,600	.10	.09½	.07	.08½
	.26	.21	Richfield Cariboo	5,300	.26	.25	.23	.24
1	.03½	.01½	Rufus Argenta	5,000	.02	.02	.02	.02
1	.05	.02	Ruth Hope	1,000	.02½	.03	.03	.03
1	.55	.37	Sally Mines	200	.45	.40	.40	.40
50c	.35	.27	Salmon Gold	12,850	.30	.30	.28	.28
1	.09	.05	Silverado	......	.07	.....	.....	.....
25c	.04½	.02½	Silvercrest	127,500	.04	.04	.03½	.03½
20c	.17	.04	Silversmith	10,000	.15½	.12½	.11½	.11½
50c	.03½	.01	Snowflake	14,200	.01½	.01½	.01	.01½
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.46	.25	Standard Gold	28,050	.35	.46	.32	.41
10	6.60	4.75	Sunshine	......	6.15	.....	.....	.....
1	.28	.20	Sunloch	......	.28	.....	.....	.....
No	1.20	.50	Taylor Bridge	179,010	.63	1.20	.61	1.07
1	.54	.35	Taylor Windfall	16,200	.53	.54	.51	.51
25c	.05	.04	Thurlow Gold	......	.04	.....	.....	.....
5	.25	.20	Toric	......	.20	.....	.....	.....
No	.18½	.14	Viking	74,100	.18½	.18½	.17	.18
50c	.28	.04½	United Empire	4,300	.16	.17	.16	.17
No	3.50	1.40	Vidette Gold	2,325	3.40	3.30	2.95	3.00
No	.27½	.13	Waterloo Gold	......	.18	.....	.....	.....
25c	.04½	.01½	Waverly Tangier	212,000	.01¾	.02	.01½	.01¾
50c	.47	.36½	Wayside	51,585	.38½	.39	.36½	.37
20c	.03½	.02	Wellington	1,000	.02¾	.02	.02	.02
No	.44	.30	White Eagle	2,200	.37	.37	.36	.37
1	.10½	.05½	Whitewater	6,100	.07	.07	.05½	.05½

OIL STOCKS

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Apr. 18 (or last)	High for week	Low for week	Close Apr. 25
1	.15½	.10	Amalgamated	6,500	.10½	.11½	.10	.10
1	.08	.04½	Anaconda	13,000	.05½	.05¾	.04½	.05
No	.12	.05½	Askalta	6,000	.08	.07½	.07½	.07½
1	.10	.10	Brit. Dominion	......	.10	.....	.....	.....
1	.09½	.05	Crows Nest	100	.07	.08	.08	.08
No	.09½	.04½	Devenish	300	.06	.06½	.06½	.06½
No	.01½	.00½	Fabyan Pete	64,000	.00¾	.00¾	.00½	.00¾
No	.16½	.09	Freehold	4,700	.10	.10	.09	.09½
No	.13	.06	Hargal	300	.06	.06	.06	.06
No	.35	.15	High Sarcee	8,000	.25	.24	.22	.24
No	.05	.02½	Madison	14,500	.02½	.02½	.02	.02
No	.35	.10	Marjon Oil	10,750	.12	.13	.10	.10
No	.05½	.04½	McD. Segur Ex.	......	.04¾	.....	.....	.....
1	.47	.31	McLeod	1,500	.31	.32	.31	.32
No	.22	.14	Mercury	23,600	.15	.15½	.14	.15½
No	.22	.14	Mill City Pete	......	.14	.....	.....	.....
1	.33	.21	Model	500	.22	.23	.23	.23
No	.18	.06½	Okalta	5,220	.08½	.12	.08½	.11
100	29.00	18.00	Do., pref.	......	18.00	.....	.....	.....
No	.17	.07	Pacalta Oil	2,600	.13	.13	.11	.11
No	.19	.14	Ranchmen's	300	.18	.19	.19	.19
1	.42	.23	Spooner	205	.30	.30	.30	.30
No	.11½	.06	United	2,700	.07½	.07½	.06½	.07½
No	.50	.11	Vanalta	172,160	.37	.50	.37	.44
1	.20	.16	Vulcan	......	.16	.....	.....	.....
1	.22	.16	Wellington Oil	......	.16	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas†	2c.	.....	Mercury Oils	4c.	.....
Ajax Oil	8c.	6.95	Merland Oils*	5c.	.....
Bralorne	12½c.	.....	Model Oils	3c.	.....
Bulolo Gold‡	60c.	.....	Noranda‡	$1	.....
Coast Brew	92c.	8.26	Petrol Oil‡*	1c.	.....
Coniagas‡	12½c.	.....	Premier	12c.	9.30
Cons. Smelters	1.50	.....	Pioneer, B.C.	60c.	4.61
Dome Mines	1.50	4.13	Royalite	50c.	.....
Falconbridge	5c.	.....	San Antonio†	5c.	.....
Goldfield Cons.‡*	5c.	.....	Siscoe	12+2c.	6.44
Hollinger	65c.+30c.	6.23	Sterling Pacific Oil‡	2½c.	.....
Howe Sound	$3	.....	Sunshine Min.	5+7c.	.....
Int. Coal & Coke‡	2c.	.....	Sylvanite	10+5c.	5.74
Int. Nickel c.	10c.	.....	Teck-Hughes	60c.	9.83
Lake Shore	$2+$1	6.09	Wright-Har	40+10c.	5.65
McIntyre	1.62½	3.65			

‡Interim. †Initial. *Paid in 1933.

Acme Gas & Oil Acquire Fourth Producing Well

Officials of Acme Gas & Oil Co. announce that its new well, known as the Pinkston No. 4 in the East Texas field, has been brought into production and is rated as one of the best wells in the field. It is also announced that a substantial interest in a fifth well has been purchased from various capable firms.

The company now has four wells in the East Texas field and an interest in the fifth. All the wells, it is stated, are in first class shape and daily running the full amount of oil under the pro-ration schedules of the Texas Railways Commission. The price of oil in the field is $1 per barrel.

Hollinger Shareholders Get Extra Dividend of 5 Cents

Hollinger Consolidated Gold Mines declared in addition to its regular 5 cent dividend, an extra dividend of like amount, both payable May 21, 1934 to shareholders of record May 4. The extra dividend is reported as being paid out of the 1933 surplus.

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

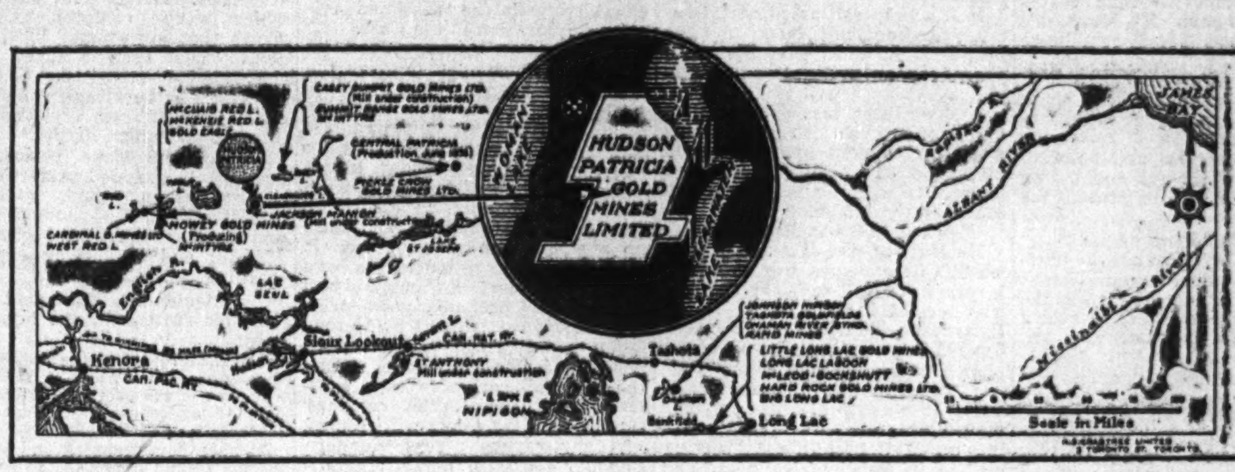
We Offer for Public Subscription

Subject to Allotment if Over-subscribed

500,000 SHARES of

Hudson-Patricia
GOLD MINES LIMITED

NO PERSONAL LIABILITY


HUDSON PATRICIA GOLD MINES LIMITED
CASEY SUMMIT GOLD MINES LTD.
Kenora
Sioux Lookout
NIPIGON
Tashota
Long Lac
LITTLE LONG LAC GOLD MINES
LONG LAC LAGOON
MCLEOD-COCKSHUTT
HARD ROCK GOLD MINES LTD.
BIG LONG LAC
Scale in Miles

PATRICIA DISTRICT: The properties of the Hudson-Patricia Gold Mines, Ltd., lie in the heart of the Red Lake Mining Division of Northwestern Ontario, immediately adjoining Clearwater or Confederation Lake on the West and between that body of water and Woman Lake. Neighbouring gold mines now producing or about to install milling machinery, include the famous HOWEY, JACKSON-MANION and CASEY SUMMIT, and at a not remote distance, the CENTRAL PATRICIA and PICKLE CROW properties.

PROPERTIES: The company's property comprises 26 patented claims covering about 1,140 acres, most of which are heavily mineralised and wooded and according to engineers' reports contain highly valuable gold ore deposits. A plentiful supply of timber is available for extension of existing mine workings and other needs in connection with active further development of the properties.

EXTRACTS FROM ENGINEERS' REPORTS: COLIN A. CAMPBELL, M.E., Superintendent of Barry Hollinger Mines, Ltd., in a letter under date of February 14, 1934, referring to the Hudson-Patricia Gold Mine Properties, wrote: "I have classed it as one of the major discoveries in the district—the present price of gold makes it a most attractive property."

From the report of JOHN C. ROGERS, Consulting Geologist and Mining Engineer, dated January 18, 1934: "As the property now stands, disregarding its No. 2 vein, and the Spence Vein for the present—although they are potential assets—its No. 1 vein has an average back of 70′ vertical or 80 slope feet above the 86′ level, and a length of 190′ average of surface on the 86′ level, with a width of 2′ 6″ and an approximate value of $15.00 per ton, with various sampling results. This value of $15.00 is considered conservative, although a great variation is found in all sampling done, and bulk sampling would be the safest way to average this ore. Possibly bulk sampling would give a higher value. It now seems that the price of gold will be safely maintained at some point between $33.00 and $41.00 per ounce. At the lower figure this would give a value of the ore of $25.50 per ton".

DEVELOPMENT: To date more than $250,000 has been expended by the discoverers and operators in pursuing development work on the company's properties to overcome early hazards. This underwriting provides funds for the necessary further development work and for the installation of the mill. In addition to extensive surface prospecting, rich and sizable gold ore bodies have been uncovered and blocked out in the main ore zone. A two-compartment vertical shaft, designated as shaft No. 2 has been carried to a depth of 239 feet.

The shaft vein has been traced for over a length of 700 feet. At this point it enters an area of Muskeg.
The eastern face of the drift on the 100 feet level shows a width of over 4 feet of quartz carrying visible gold and good mineralization.

VALUES: Considerable gold ore of good commercial grade has been taken from the incline shaft (shaft No. 1, which has been sunk to depth of 100 feet and drifted eastward for 300 feet), and channel assays made have shown an average of $25.50 in gold per ton, figuring the market price at $33.00 per fine ounce. This high value would be revised upward if computed on the basis of present market quotation for gold at $35 an ounce. A large quantity of good commercial ore is now on the dump, while ore developed and blocked out is figured to have a value well in excess of $100,000 on the basis of $35 an ounce for gold.
Vein No. 2 referred to in J. C. ROGERS report outcrops in low ground about 300 feet south of No. 2 shaft striking North and South. This vein was uncovered for a length of 50 feet with both ends dipping into Muskeg. JOHN W. MORRISON, Mining engineer sampled over this length and secured an average value of $18.50 across average width of 23 inches. This value taken at $20.00 per ounce.
The Spence vein also referred to shows very spectacular free gold where broken into over a length of approximately 150 feet. Very little work has been done on this vein which lies about 1000 feet north of No. 2 shaft and strikes south.
Values indicated by channel sampling of these veins show them to be important and greatly enchances the potential value of the property.

PLANT EQUIPMENT: The company is completely equipped with an efficient mining plant, including steam power generator, air compressor, hoist, assay plant, powder magazine, complement of drills, and all necessary tools and machinery. Buildings include dwellings for the management personnel at the mine, bunk house to house fifty men, cook house, powder houses, stables, two warehouses, power house, blacksmith shop, all with up-to-date equipment throughout. It is anticipated that the steam plant will be replaced with electric power by agreement with the Hydro Electric Power Commission of Ontario.

MANAGEMENT: The personnel of both the executive and technical management of the Hudson-Patricia Gold Mines, Ltd., is of the highest character for skill and economical administration. The executive management is headed by some of the foremost mining, legal and administrative authorities in the Dominion. The technical staff is being directed by DR. T. L. GLEDHILL, M.A., PH.D., a mining geologist of outstanding ability and reputation, formerly with the Ontario Department of Mines.

Shares May Be Reserved Through

DRAPER, DOBIE & CO.
Members
The Toronto Stock Exchange
330 Bay St., Toronto

CHAMBERS & CO.
Members
The Toronto Stock Exchange
53 King St. W., Toronto

CAPITALIZATION
Authorised Capital: 2,500,000 Shares of $1.00 Par Value.
Issued for Properties: 1,100,000 Shares of which 1,000,000 shares are Pooled—to March 7, 1935.
Underwritten: 1,000,000 Shares including Present Issue, of which this offering forms a part.
Remaining in Treasury: 400,000 Shares.

OFFICE OF THE COMPANY
112 Yonge Street, Toronto, Ontario, Canada

OFFICERS
President - - - - - W. RALPH SALTER, Barrister-at-law, Toronto. of the firm of Salter, Stapells & Sewell
Vice-President - - LT.-COL. C. H. ACKERMAN, Director Waite-Amulet Mines, Ltd., Vice-President B. F. Ackerman Son & Co., Peterboro.
Secretary-Treasurer B. A. R. DIGNAN, Toronto.

DIRECTORS
W. RALPH SALTER, LT.-COL. C. H. ACKERMAN, Peterboro; DR. M. H. LEBEL, Montreal; LT.-COMMR. GERALD COCKERILL, R.D., R.N.R., London, England; J. L. A. TETREAULT, Managing Director, The Tetreault Mine, Montreal; BRIG. GEN. B. R. HEPBURN, C.M.G., Ex. M.P., Picton, Ontario; P. A. LAVALLEE, Comptroller, Consolidated Marine Companies Ltd., Montreal.

MINE MANAGEMENT COMMITTEE
THOMAS L. GLEDHILL, M.A. (Ph.D. in Economic Geology), Mine Supervisor; JOHN M. THOMPSON, E.M., Resident Mine Manager; WALTER R. SUTTON, B.Sc., Resident Geologist.

REGISTRARS AND TRANSFER AGENTS
CHARTERED TRUST AND EXECUTOR COMPANY, TORONTO, CANADA

AUDITORS
HENRY BARBER, MAPP & MAPP, Chartered Accountants, Toronto

SOLICITORS
SALTER, STAPELLS & SEWELL

BANKERS
THE BANK OF TORONTO
Toronto

Shares May Be Reserved Through

RITTENHOUSE HAMILTON & CO.
Members
The Toronto Stock Exchange
80 King St. W., Toronto

H. H. PETERS & CO.
Members
Vancouver Stock Exchange
Stock Exchange Bldg.
Vancouver, B.C.

In the event of an over-subscription, reservations will be subject to allotment, on a *pro rata* basis.

Shares may be reserved as indicated on the Order Form provided below.

It is advisable, in view of the probability of an over-subscription of this offering, that you make your reservation by telegraph and forward remittance in payment for the shares you reserved by first mail.

Price 50¢ Per Share

This issue having been fully underwritten, the proceeds of this sale will not go into the treasury of the Company whose securities are hereby sold to you.
To..
Address..
(Write name of Broker or Bank through whom you wish to make your reservation).
Enclosed find $ in full payment for.................. Shares
HUDSON-PATRICIA GOLD MINES, LTD.

Please issue Share Certificate to:—
Name..
Address..
City.................. Province..................

Price 50¢ Per Share

SEND THIS ORDER FORM TO ANY ONE OF THE ABOVE FIRMS OR TO YOUR OWN BANK OR BROKER

NORANDA HOLDS DIVIDEND NOTICE PENDING GOLD TAX

Will be Much Lower Unless Budget Modified, Says Murdoch

EARNS 70 CENTS

Selenium and Tellurium By-products Soon to be Marketed

Shareholders of Noranda Mines felt the weight of the new 10 per cent tax on gold at their annual meeting at Toronto recently, when James Y. Murdoch, president, stated that any decision as to dividends would have to be postponed as a result of the tax announced in the budget tabled in the House of Commons. He explained that the directors had met the morning before and decided that no action could be taken until definite information was available regarding the tax. If it went into effect without modification it would mean a much lower dividend distribution than otherwise might be paid. Mr. Murdoch's explanation was in reply to a direct question asked by one of the shareholders.

After this announcement there was no trouble in getting the shareholders' support to a resolution drafted by directors and pointing out the effect of the new gold tax on Noranda which will be sent to the Prime Minister.

Plan Full Programme

The action of Noranda in postponing the dividend announcement is significant inasmuch as it was the first large gold producer to hold a meeting since the tax was announced.

Directors planned an active and aggressive exploration campaign in various parts of Canada throughout the coming season, the president told shareholders. While the accounts covering operations of the company for the first quarter of 1934 had not yet been completely audited, office estimates indicate earnings of something over 75c. per share for the first quarter, Mr. Murdoch claims. The addition of 1,000 tons per day capacity to the concentrator was practically completed and was being gradually stepped up to full production. The company had met all competition in the British market and had successfully marketed all 1933 production. He mentioned the fact that during the year copper prices had shown a rising tendency, moving up from 4.743 cents a pound in the first quarter to 7.638 cents in the last three months. The company had averaged 6.81 cents per pound.

Two New By-products

Both in gold and silver, the two other products of the company, there had also been a rising tendency. It was expected that the company would shortly be marketing two new by-products, namely, selenium and tellurium. It was expected that these two new products would be marketed at satisfactory prices. Selenium is used in glass as a decolorizer and as a colorant for ruby glass. Tellurium was used in the lead industry.

Values obtained in drilling on certain Chibougamau claims were very erratic, Mr. Murdoch stated, making it difficult to estimate the probable average grade of ore that might be mined. However, it was becoming apparent that one could not figure on the gold content of more than .14 ounces per ton. On the Coffin-Gilligan group of claims, a vein about three and a half feet wide and 800 feet long had been fairly well outlined by surface trenching and diamond drilling to a depth of 200 feet. On this group a total of 32 holes had been diamond drilled to date. If the property were a little nearer a road or railway the installation of a small mining plant and mill would probably be justified he thought, even at the old price of gold, but located as it was, 135 miles from either railway or motor road, he considered that it would be necessary to continue diamond drilling to obtain further assurance regarding the downward continuance of the vein before any serious consideration could be given to putting in a mining plant.

Dividends Up

Analyzing the balance sheet, Mr. Murdoch stated that at the end of the year the bonds held by the company, amounting to over $3,000,000, were down in market value as compared with cost, slightly less than $112,500, while the market value of shares held was slightly over $28,000 above the cost price.

Earnings of 70c. a share for the first quarter of 1934 were announced by Mr. Murdoch. This estimate prepared from unaudited figures represents a rate of approximately $2.80 a share as compared with $2.15 a share net profit reported for 1933.

Increased Loss is Shown By Southwest Petroleum

Annual report of Southwest Petroleum Co., subsidiary of Foothills Oil & Gas Co., which in turn is controlled by Imperial Oil, reports a net loss of $14,815 for the fiscal year ended December 31, 1933, from its operations in the Turner Valley field of Alberta. This compares with a net loss of $7,321 in 1932.

The company has one producing well, the output from which was 2,225 barrels of crude naphtha and discolored naphtha in 1933 as compared with 5,075 barrels in the previous year. Income from oil sales totalled $6,429 while miscellaneous income, including royalties, brought the total income to $7,887 as against operating expenses of $22,701 including $8.079 for reserve for depreciation and depletion.

Current assets totalled $10,935, while current liabilities totalled $130. Advances from the parent company, Foothills Oil & Gas Co., totalled $204,760.

Of the authorized capitalization of 1,000,000 shares of no par value, 750,006 shares are outstanding.

Copper Code Sets Output at 20,500 Tons Per Month

According to the copper code approved last week by Gen. Johnson, N. R. A. administrator, the output of copper in the United States will be fixed at 20,500 tons of copper a month, with sales quotas for each primary producer in the industry.

Approval of the code climaxed nearly seven months of negotiations, and solves one of N. R. A.'s most difficult problems. The code embodies a plan to conserve copper resources, ensure orderly liquidation of excessive stocks, now above ground, and at the same time provide for as much re-employment in the industry as possible.

Airways Lop Twenty Years Off Canada's Mining Story

Work of Airplanes in Opening Up Hinterland Makes Gripping Story

Its wings clipped since the cancellation in 1931-32 of government air mail contracts, with a consequent loss to revenue of two and a half million dollars, Canadian Airways are, in what they frankly admit is a fight for their very existence, seeking restoration by the federal government of these contracts. If government aid is not forthcoming, states James A. Richardson, president, the company will run grave risk of leaving the air altogether.

Whatever may be the merits for this fight to regain the cancelled contracts, the grounding of this company's planes would be keenly felt in mining circles, as the history of the company's development clearly shows.

It has been estimated that Canada's far-flung mineral areas have been brought under surveillance 20 years earlier by the use of airplanes, whose activities in this regard have been largely controlled by Canadian Airways. Areas which would have taken weeks to reach by canoe or dog-team, are now brought to within a few hours distance by the 'plane.

Worked in Great Bear Area

Nucleus of the Canadian Airways, whose planes are now seen in practically all parts of Canada, was formed in 1926, when James Richardson founded the Western Canada Airways, with two Fokker planes, operating north from Hudson, Ontario, into the Red Lake area It was this company that played a large part in the opening up of Churchill, transporting by air in 30 days, 14 men, and eight tons of supplies and equipment.

Red Lake, then the centre of mining interest, was seven good hard days away by dog-team over unchartered trails. Western Airways brought this district within an hour and a half of civilization. As a result, many engineers and prospectors visited the area, who otherwise would never have undertaken the arduous journey. Extending their operations to Central Manitoba and Le Pas, this company rendered invaluable service to such firms as Hudson Bay Mining & Smelting Co., and Sherritt-Gordon Mines.

All over Canada the 'planes of this company were flying prospectors into regions hitherto so difficult of access that in the limited time between break-up and freeze-up, nothing could be done. By 'plane, the prospector could take his canoe, outboard motor, sleeping bag, gas, oil, and provisions, prospect for a month, and then meet the 'plane at a pre-arranged point.

Story of Eldorado

A dramatic touch is added the story in the case of Gilbert LaBine, and his discovery of what later became the Eldorado radium and silver properties. LaBine had mentioned the fact to company officials that he wished to explore the Bear Lake area, but that it would cost too much money to get in. In accordance with their policy of seizing every opportunity to open up the north, the company, which was then flying furs from the Mackenzie River, offered to take LaBine in at no cost, except for any flying they would have to go off their regular course. As a result of LaBine's find, great interest was created in this mineralized area comprising 1,000 squ. miles of highly mineralized area.

By gradual stages Western Airways extended its scope until by 1930, Western Airway 'planes had slid gracefully to rest on the surface of lakes across the entire Dominion, and had roared, in sub-zero weather, into the furthest hinterlands of mining activities.

Railways Enter Scene

It was about this time that the federal government approached the company in connection with flying the prairie airmail. Certain companies in eastern Canada had already been given contracts at the rate of $1.25 a mile. After some negotiations, Western Airmail agreed to fly the prairie run for 75 cents per mile. This contract was on a four year basis, and called for flying mail from Winnipeg to Regina, Moose Jaw, Medicine Hat, Lethbridge, Calgary and other points.

In 1929, the late Sir Henry Thornton, then president of Canadian National Railways, had expressed his desire to link his railroad with air transportation. Negotiations resulted, and both railways agreed to invest $250,000 in a company to be known as Canadian Airways, formed by merging Western Canada Airways in the West, and Aviation Corporation in the East.

To Canadian Airways, and its component companies, is given the credit for keeping Canadian air transportation entirely in Canadian hands, controlled by Canadian capital. While it has never been a big money maker as a company, it was able, when the mail contracts were still being honored, to create an ample depreciation fund, and build up a strong capital structure. It set up an organization with a base in every province in Canada where anyone could promptly get a price for moving five pounds or 10 tons from any province in Canada to any place in the Arctic circle. When the air mail contracts were summarily withdrawn, the company claims, they were left with 100 oil and gas caches across northern Canada, and with a far-flung organization which could not under any circumstances absorb charges that were formerly taken care of by the air mail contracts.

Fine Safety Record

Vast and widely separated are the lands over which Canadian Airway planes regularly wing their way. They do business up and down the Pacific in British Columbia and the Yukon, and fly a regular service up and down from McMurray to Bear Lake and up the Mackenzie River to Aklavik. Aklavik, incidentally, is 1,468 miles north of McMurray as the river flows, and McMurray is 250 miles north of Edmonton. The company's 'planes are familiar sights on the east coast of Hudson Bay, and in all the mining country across Manitoba, Ontario and Quebec. They fly a service to the Seven Islands on the north shore of the St. Lawrence in the winter, to Rimouski in the summer. The company maintains a regular service to the maritimes, and covers service to the Magdalen Islands.

Canadian Airways is proud of its safety record. In civil flying in Canada in the year 1933, according to a statement given the House of Commons by Col. D. M. Sutherland, minister of National Defence, there were 24 persons killed, 13 of whom were passengers, and 13 injured, six of whom were passengers.

As compared to this, in the same year, Canadian Airways carried 16,942 passengers, flew a total of 1,165,434 miles, without serious accident to one passenger.

Productive hours flown in mail services by this company dropped in from 12,447 hours in 1931 and 3,370 hours in 1932 to 2,128 hours in 1933, the annual report showed. As compared with this, the number of productive hours flown in commercial business increased steadily in the same period. In other than mail services the airplanes flew 9,489 productive hours in 1933 as compared with 8,548 hours in 1932, and only 4,659 hours in 1931.

This commercial increase however was not enough to offset the serious handicap faced by the company in the falling off of government airmail contracts.

COMPANY DRILLS 600 FT. IN GRANITE IN SEARCH FOR OIL

"Doodlebug" Tells Concern How Much Oil and How Far Down

Six hundred feet down in pure granite, and still confident of striking oil.

This admirable example of faith is being displayed daily by the Hockley Valley Oil Co., head offices at Heman St., Mimico, and operating in the Hockley Valley south of Collingwood, close to the border of Dufferin county.

But the faith displayed by the Hockley Valley Oil Co. (shares obtainable direct from the company at $1 a crack) is not entirely a blind faith. For a "doodlebug" has told them there is oil there, if only they will drill deep enough—in granite.

Chief faith exponents are J. F. Hazzard and D. E. Ogletree, whose faith is no whit less solid than the granite through which the company is drilling, and is no whit less broad—600 feet of it and more to come.

For some months this company has, through salesmen, been selling stock. Apparently enough has been sold to finance the present development—600 feet in granite.

But the "doodlebug" on which the directors of the company pin so much faith is no ordinary doodlebug. Besides telling where the oil is, this device, according to the company, tells how much oil is there. That's why the company feels it is worth while digging down 600 feet—in granite.

Present stockholders are being urged to take advantage of the privilege offered them of buying still more stock, at $1 per share.

That is so that the company can pass their present mark, of 600 feet down—in granite.

Mining Activity Aids Steel Plants

An improved volume of business and firmer prices characterized the Canadian iron and steel industry in March. As formerly, the mining industry was responsible for the greater part of the business done but buying on the part of other trades also showed an increase.

Production of steel ingots and castings in Canada at 72,923 tons in March compares with 57,999 in February of this year and 11,212 in March, 1933. For the three months ending March 31, 1934, the cumulative output of primary steel amounted to 191,709 tons as compared with 64,352 and 97,101 made in the corresponding periods of 1933 and 1932 respectively. The increase over 1933 was over 70 per cent.

Production of pig iron at 12,101 tons in March showed little change from the 12,199 of February. The output included 8,141 tons of basic iron, 2,692 tons of foundry iron and 1,268 tons of malleable iron.

Furnace charges during the month included 22,255 long tons of imported iron ore, 6,192 short tons of limestone and 12,003 short tons of coke. Only 194 tons of the limestone were quarried in Canada but all of the coke was carbonized in Canada from imported coal. On March 28 one 550-ton furnace was blown in at Hamilton, Ontario, resulting in 2 furnaces being active in Canada on March 31. These active furnaces had a capacity of 1,000 tons a day and represented 24 per cent of the total capacity of all the iron blast furnaces in Canada.

Amity Gold Mines Drilling On Dubuisson Twp. Claims

From Our Own Correspondent

AMOS.—On the Dubuisson Twp. property of Amity Gold Mines, good headway is being made with diamond drilling, this work having commenced late last week following arrival of the equipment over badly-conditioned winter roads.

R. S. Potter, president, advises that the drilling programme will be continued throughout the summer and will include a series of shallow holes initially.

The first hole has been put down east of what is known as the shaft-vein and is expected to intersect this vein at a depth of 100 ft. On surface, the vein is narrow but quite high grade.

The development is being watched with interest as it represents the farthest south diamond drilling yet carried out in Dubuisson Twp.

STOBIE-FORLONG PAYS CREDITORS INTERIM 10 P.C.

W. S. Newton, Liquidator, Announces Assets Increased by $93,903

WATCHED MARKETS

Total of $4,813.78 Paid in Settlement of Secured and Preferred Claims

With assets materially increased from an estimated value of $58,241.67 to a present value of $152,144.87, the defunct Stobie-Forlong-Mathews Ltd. now in liquidation, will pay creditors 10 per cent on their accounts, W. S. Newton, liquidator, has announced. Cheques for these amounts have already been mailed to creditors. Stobie-Forlong Assets Ltd., under the liquidation of N. L. Martin, is a large creditor.

Of the present assets, $101,978.44 is in cash and bonds and the remainder in mining and oil securities. The interim statement which is up to March 15, 1934, shows that since Jan., 1932, $99,688.73 has been realized from the sale of securities; $5,089.09 from sale of furniture, collections, etc., $4,034.84 from dividends and interest on bank deposits.

During the same period, disbursements included preferred and secured claims paid, $4,813.78; legal fees, $1,858.55; transfer fees and sales tax on securities, $225.38; and liquidating expenses totalling $3,707.21.

Liquidator's Statement

In his statement, the liquidator says:

"My last report to the creditors of this estate, dated April 24, 1933, gave a resume of the proceedings from the date of my report to the court and the creditors of Feb. 20, 1932.

"I have now prepared and submitted my second report to the court as of March 15, 1934, together with report and complete audit made by chartered accountants.

"My report of Feb. 20, 1932, contained a financial statement, also statement of assets and liabilities as of Dec. 31, 1931, at which date I showed assets of cash $3,770 and securities at market value $54,471 or a total of $58,241. Liabilities then consisted of preferred and secured claims of $20,606, and ordinary claims of $1,520,305, or a total of $1,540,911. Since that date all preferred and secured claims have been settled or paid, and the creditors' claims have been reduced to $817,759.

Watched Market

"In previous circulars I stated that it would be my policy not to throw securities on the market, but to watch market conditions and the affairs of the various two hundred and forty companies in which the estate held shares, so that the stocks could be realized upon in the most advantageous manner and as and when the opportunity arose.

"I am pleased to advise that by carrying out this policy, the estate assets have materially increased from an estimated value of $58,241, to at present cash and bonds $101,978 and mining and oil securities with an estimated value of $50,166 or a total assets of $152,144."

Dying Bushman Raved of Mine Believed Found

Belief that under the snow which fills an isolated coulee in the Hottah Lake area, 100 miles south of Cameron Bay, N.W.T., lies the "Lost Mine" for which prospectors have been looking for the last 17 years, was expressed by Alvin Kerr, Edmonton prospector, who has just returned from the north with valuable gold samples.

Ever since, during the war, a prospector named Bruce arrived from the bush with rich samples, and before he died, babbled about a rich strike he had made, the dream of prospectors has been to discover that strike. From Indians it was learned that Bruce, who died of pneumonia shortly after being conscripted, had been in the Hottah Lake district.

Last winter, Claude Watt and William Olmstead, partners of Kerr, who has formed the Hottah Lake Mines to develop their 36 claims in the new radium ore field, discovered weather worn prospecting stakes, with nicks in the wood pointing to the snow-filled coulee. This was shortly after the discovery of D'Arcy Arden at Hottah Lake had started a man-sized stampede. Kerr claims the stakes are those of a white man, and are about 17 years old.

As soon as the spring permits, the rock in the coulee will be investigated, and it will definitely be shown whether or not the famed Lost Mine of the Hottah Lake district was fiction.

REQUEST INCREASE IN COPPER TARIFF

Anaconda American Brass Claim Costs in Canada Higher Than England

An application for change in the tariff rates covering copper and affiliated metals was made to the tariff Board last Monday by Anaconda American Brass Ltd., with J. Earl Lawson acting as counsel.

W. M. Moffat, economy supervisor for Anaconda produced figures to show wage costs in their mills in Canada averaging 51.1 cents an hour compared with 28.05 cents in England. The average wage cost per pound of material produced in Canada, he said, was 1.11 cents higher than in England and 1/10 of 1 cent higher than in the United States. The total cost of production in Canada for 1933, he said, was 3.15 cents per pound of finished product higher than in the United States.

Mr. Lawson urged that the board, to fulfill its functions thoroughly, should maintain a staff of adjustment officers who would make a study of Canadian industrial conditions and make their periodic recommendations to the government, bringing about changes to meet changing circumstances without the prolonged routine now in effect. As he understood it, it was the function of the board among other things to find out the cost of production and operation by Canadian firms, weigh them alongside the similar cost of a firm in Great Britain and find a yardstick to cover preferential tariff which would protect the Canadian firm, and at the same time not exclude the British firm from fair competition in the Canadian field. He was sure, he said, that it was not the intention of this government or any government to sacrifice Canadian industries for outside industries. He could not agree with the Hon. George Sedgewick, chairman, who thought that the 2c British preferential asked by Anaconda would effect the British competition. Commissioner Hebert expressed the opinion that the company had come before the board to ask for a high tariff protection but had failed to prove that they could not make a satisfactory return over the present basis. The hearing was adjourned.

South African Tax on Gold Easier on Low Grade Mine

Analysis of Method Used Shows Difference from Canadian Tax Proposal

The attempt of the South African government to collect an excess profit tax from the gold mines in that country, is being closely watched by the entire mining world, and in view of the proposed legislation in Canada, is of particular interest to Canadian mining men, and government officials.

It is generally accepted that, at times like the present when governments are tapping every possible source of revenue, the gold mines, enjoying a world price for gold about 70 per cent higher than in 1930, should be made to hand some of these excess profits over to the public. South Africa is attempting to do this in one way, by a tax on profits; Canada is proposing to try the other, a tax on production.

The South African Excess Profits Duty, passed in 1933, is primarily intended to be a tax of 70 per cent of the rise in the world price.

Allow For Low Grades

In an effort to be scrupulously fair to the low-grade mine, certain deductions are allowed before this 70 per cent levy is applied. These deductions are: normal income and underground expenditure, met out of profits and approved by the minister of mines, and arrear amortization; a rebate for fall in grade, using the November-December grade of 1932 as a basis; in mines leased from the government, a deduction is allowed for the percentage of profit accruing to the government under the lease agreement.

These deductions are compiled in an elaborate, and to some critics, totally unwieldy form. Broadly, the various allowances are deducted from the profits which would have been made under the standard price of gold. The resultant amount is taxed by the Excess Profits Duty, 70 per cent, and the normal income tax, 20 per cent.

A minimum profit of about 60 cents a ton is set. If the standard profit of a mine is less than this figure, it's allowed, tax free. If the excess profit, that is, the profit from high-priced gold, is less than $1.45 per ton, the 70 per cent excess profits duty is altered to one per cent for every two cents of such excess profits. If, again, the excess profits of any mine are less than $25,000, the excess duty is remitted. Government Areas Mine is entirely exempt from duty, and certain other lease mines meet the duty out of the government's share of the profits.

There is one important clause in the act, the benefit of which has been felt by South African miners within the past month. That is, that when the yield from the Excess Profits Duty reaches more than $30,000,000 per annum, the government refunds the excess to the mines on a pro rata basis, to their contribution toward the tax. This point was recently reached, and the refund accordingly made.

According to the S. A. act, where the standard profit is the allowed minimum of 60 cents per ton, and where the excess profit is less than $1.45, the price of gold does not alter the scale of taxation. Above that figure, fluctuations in the price of gold have their effect on the tax.

In order to compensate miners for a fall in the grade of their ore, the tax scheme has an ingenious method of reducing the tax in keeping with this fall. It provides that when there is a fall in grade below that obtaining in November-December, 1932, the standard profit, which, as previously pointed out is subtracted from the excess profit to ascertain the taxable profit, shall be increased to the extent of one-quarter per cent for every cent that the grade falls. As a result, the excess profit duty is reduced. But if the standard profit, with this addition, is still less than 60 cents per ton, this mimimum of 60 cents is substituted for it in the calculation, so that the rebate disappears.

Grades Attacked

In a detailed attack on the South African tax, written in the form of an article appearing in a recent issue of the South African Journal of Commerce, Sir Robert Kotze, picks on this clause as one of the inherent weaknesses in the act. He claims that the addition of one-quarter per cent for the fall of the grade by one cent to the standard profit is mathematically incorrect. It is not the standard profit of the mine which should be increased but the standard value of the gold. He charges that as the tax works out, the lower grade mine receives less encouragement for mining low-grade ore than the high-grade mine. The great stimulus for doing so resides in the high price of gold, which has made formerly unattractive properties fall within the profitable class.

In support of the tax, however, he states that it cannot be considered excessive, and would leave enough to pay dividends totalling about $70,000,000 a year. In 1932, the amount available for dividends in South Africa was only about $45,000,000.

ONTARIO METHOD OF AIDING MINER PRAISED IN NFLD.

New Geologist Attacks Artificial Method Used in Other Areas

The different methods taken by various governments to encourage mining were analyzed by Dr. A. K. Snelgrove, new Newfoundland government geologist, in an article written by him for the year end number of the Newfoundland Journal of Commerce. He charges that in the past the policy of Newfoundland government has been one of laissez faire. This is in spite of the fact that it has been proved many times that the government could greatly stimulate the development of mineral resources by encouraging the miners. In Denmark the government had claimed the sole right to exploit mineral discovery putting itself directly into the mining business. In Nova Scotia the government had rendered financial assistance and taken security in the form of a first lien on the property, thus bringing gold prospects into production.

Another form of encouraging the prospector as used in New Zealand and certain American States was to give direct financial aid and other material help to prospectors. In Ontario and Quebec, the provincial governments supply geological information and trained prospectors furnishing them with scientific advice before sending them out into the field. It was the Ontario and Quebec system that Dr. Snelgrove admired most. In this way, he claimed, private enterprise was fostered and the governments confine themselves to providing necessary and useful advice. In his article he criticizes the form of encouragement used in Nova Scotia, New Zealand and in Denmark as tending to sap the strength of the mining industry by giving it aid which might at any time have to be withdrawn.

Western Transport Firms Prepare for Bumper Year

With enthusiasm for mining whipped to an unprecedented height, northern transportation firms in Western Canada are preparing for a record amount of business this year. As a regular service 17 boats as well as a number of barges will be operated on the rivers and lakes from McMurray and Peace River in the South to Aklavik and Great Bear Lake in the north this summer, and will carry thousands of tons of supplies and hundreds of passengers. With the various links in the far-flung transportation chains of these companies, it is expected that the area will be opened up as never before.

Yellowknife Gold Mines—Officials of Bear Exploration and Radium Ltd. announced this week that shareholders in this company were entitled to subscribe to any number of shares in Yellowknife Gold Mines Ltd. desired at 20 cents a share. The subscription in the newly formed Yellowknife will be subject to allotment if oversubscribed.

Tom Johnson Nipigon Mines—Shareholders in this company are extended the right to purchase one share of Nipsona Mines Ltd. at 25 cents per share for each share held by them in Tom Johnson, of which Nipsona is a subsidiary.

Vidette Gold Mines—This company reports concentrates shipped to smelter in March as being: gold, 262.1 ounces; silver, 507 ounces; copper, 512 pounds. Total gross value, $9,709.32. The mill did not begin running full time until March 26.

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Duparquet Mining Company Ltd.

NOTICE TO SHAREHOLDERS

This company has made arrangements to secure financing and has engaged "Minefinders, Ltd." of Toronto to make a complete geological survey of its properties.

The Directors are desirous that all shareholders be kept advised of development and, therefore, suggest that owners of shares have their certificates registered in their own names so that they will receive progress reports promptly.

By order of Board.
J. McWILLIAM,
Secretary.

GOOD CASTINGS IN THE MAKING

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